THE WALL STREET JOURNAL.

DOW JONES | News Corp ★★★★★ MONDAY, AUGUST 3, 2026 ~ VOL. CCLXXXVIII NO. 28 WSJ.com U.S. Edition

Last week: DJIA 52485.03 ▲ 537.78 1.04% NASDAQ 25373.85 ▲ 1.6% STOXX 600 649.19 ▲ 0.7% 10-YR. TREASURY ▼ 16/32, yield 4.743% OIL $84.67 ▼ $4.64 EURO $1.1529 YEN 157.38

What's News

Business & Finance

◆ **Sony Pictures'** "Spider-Man: Brand New Day" opened to an estimated $927 million in global box-office sales, making it the second-biggest film debut ever. **B1**

◆ **Math majors and** Ph.D.s are securing million-dollar pay deals from elite trading firms seeking to recruit the best and brightest amid fierce competition from AI companies. **A1**

◆ **Major American oil** companies have made little headway in tapping Venezuela's oil fields seven months after the U.S. deposed strongman Nicolás Maduro. **B1**

◆ **The first formal** negotiations intended to steer Venezuela toward democracy kicked off without the political opposition's most influential leader. **A7**

◆ **OPEC and its allies** pressed ahead with another increase in oil production, aiming to complete the group's return of voluntarily withheld barrels to the market. **B9**

◆ **Flight attendants at** WestJet, Canada's second-largest airline, walked off the job after failing to reach an agreement with the carrier, grounding hundreds of flights. **B3**

◆ **A group of former** gaming executives are offering the gaming community the chance to power clean-energy projects through a new PlayStation service that costs $34.99 a year, or $3.99 a month. **B4**

◆ **OpenAI said it has** more than one billion active users and two million businesses using its artificial-intelligence models, an announcement that came after the company said it would cut the price of several models. **B2**

Worldwide

◆ **Trump refrained** from a new attack on Iran as mediators made fresh progress on a plan to open the Strait of Hormuz and some Persian Gulf states pressed the president to pursue dialogue with Tehran. **A1**

◆ **California's Democratic** Party endorsed the state's proposed billionaire tax in a win for its advocates three months before Californians vote on the measure. **A3**

◆ **A divisive Democratic** primary for Senate in Michigan on Tuesday will reveal whether a progressive and socialist groundswell has spread to the U.S. heartland. **A4**

◆ **The suspect in a** shooting at an In-N-Out Burger in Twin Falls, Idaho, was a 24-year-old who died from a self-inflicted gunshot wound. **A2**

◆ **Wildfires destroyed** hundreds of homes and forced thousands of people to evacuate in eastern Washington state. **A2**

◆ **Trump rebuked** Jeanine Pirro, the U.S. attorney for the District of Columbia, after she dropped her effort to prosecute a man for allegedly vandalizing the Reflecting Pool. **A3**

◆ **Spain expelled most** of the tens of thousands of migrants who stormed into its enclave of Ceuta in North Africa. **A9**

◆ **A dispute involving** domestic-abuse allegations against Ohio Rep. Max Miller was further aired when Sen. Bernie Moreno said his former son-in-law shouldn't continue to serve in Congress. **A4**

◆ **At least five** were killed and dozens were missing in a ferry fire in Indonesia. **A9**

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This edition of THE WALL STREET JOURNAL was originally published in the United States and reprinted locally for regional distribution.

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Greece Fights Wildfires as Europe Crisis Spreads

ANADOLU VIA GETTY IMAGES

DIRE BATTLE: Volunteers on Sunday worked to douse a wildfire near Porto Germeno, about 40 miles northwest of Athens. Two Greek firefighting helicopters collided on Sunday while battling a wind-driven fire, killing two crew members. **A9**

Democrats' Biggest Donors Shun Main Party Committee

DNC coffers can't match GOP's haul as backers are giving directly to candidates

By Maggie Severns, Laura J. Nelson and Ken Thomas

George Soros and his son Alex donated more than $400,000 to the Democratic National Committee during the 2018 midterms. They gave more than $1 million during the 2022 election cycle, campaign finance records show.

This year, they have yet to give the DNC a dollar.

The Soroses aren't alone—other high-profile donors have given little or no money to the Democrats' central committee this year. Reid Hoffman, the co-founder of LinkedIn, wrote steady checks to the DNC for years but during the midterms has yet to give money.

In a sign of the party's challenges, a running joke among some donors is that the DNC stands for "Do Not Contribute," said one Democratic strategist who advises major party donors.

Months ahead of midterm elections, the Democratic fundraising apparatus has a big donor problem.

While many Democratic elites still feel bullish about taking back the House and are willing to throw big money at their favorite candidates, institutional fatigue—and in some cases, full-on drama—have set in among a number of the party's biggest donors. Like voters, donors say they feel disillusioned with Washington and the party establishment they have long supported.

The DNC isn't the only problem spot for Democrats—other Democratic committees and super PACs lag behind Republicans across the board. It is common for a party that is out of power in Washington to struggle, but Democrats are increasingly concerned it will hurt their chances of winning this fall as Republicans stack up more money in committees and PACs that can organize door-knocking and air TV ads.

Some of the problem is the lingering frustration among major donors over how their

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◆ **Michigan primary tests progressives' clout** A4

Gulf Allies Sway U.S. In Pivot To Talks With Iran

Trump calls off escalation of strikes after mediators offer new Hormuz plan

President Trump held off on a new attack on Iran as mediators made fresh progress on a plan to open the strategic Strait of Hormuz and some Persian Gulf states pressed the president to pursue dialogue with Tehran, people familiar with the matter said.

By Michael R. Gordon, Alexander Ward and Philip Wegmann

Trump's abrupt announcement on social media, posted early Sunday in the Middle East, that he had called off the strikes eased tensions between the U.S. and Iran—at least for the moment.

The question now is whether Trump's Gulf partners can make enough headway in the days ahead to reopen the strait to shipping and lay the groundwork for eventual talks on Iran's nuclear ambitions.

Previous efforts on both fronts have failed for months, though there were initial signs of progress Sunday on reopening the waterway. Oman and Iran noted they were making progress.

Trump said the U.S. would engage in talks beginning Monday afternoon. He said that he had been prepared to launch the biggest military attack since World War II but had

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◆ **Violent West Bank clashes intensify** A6
◆ **OPEC, allies lift output for sixth month in row** B9

Real World Got in Way Of Mogul's Nation Building

By Stu Woo And Patricia Kowsmann

ISKANDAR PUTERI, Malaysia—Tech founder Balaji Srinivasan says he believes the U.S. is descending into anarchy. His solution was to build a new country from scratch.

He left Silicon Valley and, as a first step, tried to create a rival tech community in Asia. He set up a campus with co-working spaces, a high-end gym and meals designed by longevity guru Bryan Johnson. He surveyed potential residents on their views on politics and pronatalism, the high-birthrate philosophy Srinivasan promotes.

"Bryan Johnson wants to live forever. Sam Altman wants to build a machine of superintelligence. Elon wants to get to Mars," Srinivasan said on a recent podcast. "I just want to start a new country."

The setting for this experiment was as surreal as it was grand: a hotel in a $100 billion, Chinese-built luxury development in Malaysia that became a mostly empty ghost city.

Now two years in, his vision—called the Network School—is colliding with the real world.

Participants complained about moldy rooms, dead nightlife and not enough women—a downside familiar to Silicon Valley.

Then came an even bigger hurdle: the actual country in which they were living.

Malaysian authorities launched an investigation into

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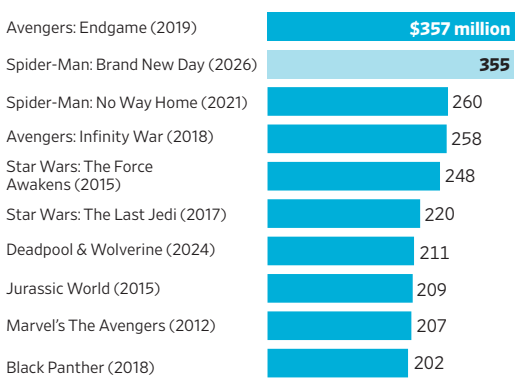
Web Slinger's Box Office Pull

Sony Pictures' 'Spider-Man: Brand New Day' opened to an estimated $927 million in global box-office sales, making it the second-biggest film debut yet, according to the studio. **B1**

Top 10 domestic box office openings of all time



Note: Gross revenue for the opening weekend. Spider-Man: Brand New Day is an estimate. Numbers and ranking are not inflation-adjusted.
Source: Rentrak

Trail of Missteps In Guthrie Case

Six months after kidnapping, investigators have made little progress

TUCSON, Ariz.—Savannah Guthrie, the co-host of America's longest-running TV morning show, hoisted her mother onto the national stage

By Valerie Bauerlein, Jared Mitovich and Hannah Critchfield

in November, drawing millions of viewers with a moving video tribute to her family and hometown of Tucson, Ariz.

"I grew up there, went to college there, my mom still lives there," Savannah told her "Today" show audience in the Nov. 5 broadcast. It was the most elaborate of a half-dozen previous episodes that cast a spotlight on her mother, Nancy Guthrie. "Honestly, a part of me has really never left," said Savannah, the family's youngest child.

The video led viewers on an eight-minute tour of Savannah's past. During a stop at the Arizona-Sonora Desert Museum, an owl perched on

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Helicopter Parents Are Co-Piloting Their Adult Children's Careers

* * *

Mom and dad are calling up hiring managers, applying for jobs on kid's behalf

By Ray A. Smith

Steven Clark had the unpleasant task of firing a 24-year-old—twice. Once was in a brief conversation with the new hire, who had showed up late or not at all four times in his first week at a construction job.

Then Clark had to do it all over again, this time with the guy's mother.

Hovering

She called him a few hours later, pleading to give her son another chance. When Clark told her no, things got heated before he ended the call.

"I said, 'Look, you know, this is between us and your son. He's the employee,'" says Clark, who is chief operating officer of a Fairbanks, Alaska-based staffing firm.

Gen Zers make up nearly one-fifth of the adult workforce, and bosses and recruiters say it often feels like the nervous parents who hovered over them through childhood and college are right alongside them. What began as the occasional parent ride-along to a job interview coming out of the Covid era is now full-on career "co-piloting," said Jasmine Escalera, head career coach at résumé templates service Zety.

More parents are calling up

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Quant Firms, AI Labs Jockey for Math Stars

By Julia Amann

There has never been a better time to be a math nerd.

New college graduates and Ph.D.s are now securing million-dollar pay deals from elite trading firms seeking to secure the best and brightest amid fierce competition from artificial-intelligence companies.

So-called quant firms, which use sophisticated mathematical models to come up with trades, have for years wooed top young talent with lucrative compensation that big banks struggle to match. Now, the AI boom is pushing those numbers even higher.

Just a few years ago, early-career packages pushing seven figures were anomalies, said Matt Stabile, founder of New York-based recruitment firm Stabile Search. "But a million dollars is something people don't even bat an eye at anymore."

"The delineation is pre-OpenAI and post-OpenAI," Stabile added, "that's when you saw competition really take off."

The skills required to train large language models have always overlapped with quantitative finance, but the connection has deepened as trading firms have pivoted toward machine learning and AI to power their trades in recent years. Now, AI labs such as OpenAI and Anthropic are vying for the exact same tiny pool of genius math majors and Ph.D.s as Wall Street.

The competition poses a challenge for quant firms, which have sought to sweep up

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U.S. NEWS

NYC's Pied-à-Terre Tax Vexes Homeowners

Residents decry process, saying their properties wrongly included in rollout

By Lily Belle Poling And Greta Reich

Bob Ohlerking has lived in his Park Slope brownstone for 55 years. So he was surprised last Monday when he received a notice from the city claiming that the Brooklyn home wasn't his primary residence and would be subject to a new tax championed by Mayor Zohran Mamdani.

The letter said that under the city's new pied-à-terre tax, the 82-year-old would be required to pay a $44,048 surcharge, based on the townhouse's $5.56 million valuation.

"I've paid taxes for 55 years. All of that stuff is on record. So the fact that they think that I have a second home and that I live in this house for part of the year and somewhere else seems a little bizarre," Ohlerking said. "It's annoying. It's not gonna upset my life forever. It's just annoying."

The tax is meant to apply to people who maintain second homes in New York City that are worth $5 million or more. Mamdani has celebrated the tax—approved by state lawmakers in May—as one of the ways the city will tax its wealthiest residents to fund some of the mayor's signature affordability promises, such as city-owned grocery stores and free buses.

But the rollout has been messy. Some New Yorkers say they are being falsely targeted, and that the process for proving that a property shouldn't be subject to the tax is difficult.

The city's recent release of a list of property owners who may be subject to the additional surcharge sparked outrage from some residents for including owners' names, addresses and the valuations of their home.

The list also encompassed a greater pool of owners than those who will ultimately be taxed—about 960,000 properties out of 3.7 million units in the city. Gov. Kathy Hochul's office estimated the tax would apply to only about 10,000 second homes. That discrepancy has caused frustration, with many New Yorkers accusing the city of taking a sloppy approach and lacking transparency about how they decided which properties were subject to the tax.

"It's now a question of whether city government can administer a major new tax competently and fairly, and it's looking like the answer is no," said Republican City Council member Frank Morano, whose own house is on the list.

In the past week, he said, his office has received around 100 calls and emails from individuals asking if they owe the tax or how to get exempt from it.

MICHAEL NAGLE/BLOOMBERG NEWS

New York's new tax is meant to apply to people who maintain second homes that are worth $5 million or more. However, full-time residents complain they have been swept up in the process.

A "very small fraction" of owners on the list received notices in the mail telling them they might be charged the pied-à-terre tax, the mayor said Wednesday. A spokesperson for the mayor's office said 17,000 property owners were sent the letters. Yet even some of that subset who received notices say the city has targeted them incorrectly.

Department of Finance offices in Manhattan, Queens and Brooklyn are now accepting walk-ins for homeowners applying for surcharge exemptions, said a spokesperson for the mayor's office.

So far, about 3,800 people have started exemption applications, the spokesperson said.

Claire Groome, a Sotheby's real-estate agent, said she has received calls from clients concerned about receiving the tax notices at their primary residences.

Submitting the documents to apply for exemption isn't particularly difficult, but the fast-approaching deadline to get off the tax roll adds some challenges, Groome said. Elderly people may have a hard time navigating the online platforms, and many are scared that they will end up stuck with the bill.

Adding to the confusion, letters told homeowners they have until Aug. 21 to submit an exemption application if they live in a townhouse or condominium, and until Aug. 24 if they live in a co-op. But officials have also said that the city's tax commission will accept appeals until March—the final deadline for homeowners to get themselves off the pied-à-terre tax roll.

Requiring owners to prove their residency to be removed from a tax roll is an unprecedented burden for many, Groome added.

"We use existing information that we have, and it could have been that we don't have updated information on their applications," Department of Finance Commissioner Richard Lee said at a Wednesday news conference when asked why the department didn't filter out more owners before sending out notices.

At that news conference, Mamdani said that notices were sent out also to determine whether homes registered as trusts or LLCs were primary residences or not.

Pasquale Giordano, 76, has been the trustee of a brownstone in Brooklyn since his father died 15 years ago. It's the house he and his sister grew up in, and the one his sister still lives in.

On July 22, he received a letter from the city informing him that, based on his property's market value of $5.7 million, the surcharge would be "some ridiculous amount of money," he said—$45,776, to be exact.

Giordano, who now lives in Miami as a self-employed broker, thinks the city has got it wrong, both because his sister is a primary resident of the house—an exception carved into the tax—and because the house's market value soared from $4.3 million in 2025 to $5.7 million in 2026.

The city is trying to "scam you out of money," according to Giordano. "In my mind, the house didn't go up and down 30% in 12 months," he said.

Giordano applied for an exemption from the surcharge on July 27.

BRIAN CAHN/ZUMA PRESS

A LEAGUE OF THEIR OWN: New York Heights players huddled before the first game ever played in the new Women's Pro Baseball League. The league has four teams: New York, San Francisco Firebells, Los Angeles Queens and Boston Hunters.

U.S. WATCH

IDAHO

Restaurant Shooting Leaves Three Dead

The suspect in a shooting at an In-N-Out Burger in Twin Falls, Idaho, was a 24-year-old who died from a self-inflicted gunshot wound, authorities said Sunday.

The shooting, which happened just before 2:30 p.m. Saturday, left three people dead and seven injured, police said.

Twin Falls Police Chief Matthew Hicks named the suspect as Chad Williams. Hicks didn't provide a motive or any additional details about Williams.

During the shooting, an off-duty state trooper and a citizen fired at the suspect, Hicks said, adding, "We believe their actions helped drive the suspect away from the scene, preventing further casualties."

Police didn't name the victims, saying all of the families haven't been notified.

—Ginger Adams Otis

WASHINGTON STATE

Thousands Leave Homes Amid Fires

Wildfires ripped through the Spokane area of eastern Washington state, destroying hundreds of homes and forcing thousands of people to evacuate.

Three blazes, which started Saturday, burned through 7,500 acres in what Spokane Mayor Lisa Brown called "the worst natural disaster our region has faced."

More than 900 firefighters were working to contain the fires in Spokane County. The causes of the fires are still under investigation. No deaths or injuries have been reported, but given the size of the fires, authorities said that could change. Roughly 560,000 people live in the county. Benjamin Cossel, a spokesman for the U.S. Forest Service, said 600 structures were destroyed by the Spokane area fires.

—Joseph Pisani

CORRECTIONS & AMPLIFICATIONS

In some editions Friday, the first name of Aicha Evans, chief executive of Zoox, was misspelled as Eicha in a Technology article about the Amazon-owned robotaxi service.

Readers can alert The Wall Street Journal to any errors in news articles by emailing **wsjcontact@wsj.com** or by calling 888-762-5450.

THE WALL STREET JOURNAL
(USPS 664-880)
(Eastern Edition ISSN 0099-9660)
(Central Edition ISSN 1092-0935)
(Western Edition ISSN 0193-2241)

Editorial and publication headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036

Published daily except Sundays and general legal holidays. Periodicals postage paid at New York, N.Y., and other mailing offices.

Postmaster: Send address changes to The Wall Street Journal, 200 Burnett Rd., Chicopee, MA 01020.

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AI Fuels Push for Math Stars

Continued from Page One

the next generation of math whizzes to retain the trading edge that has made them a force in finance.

A single star employee's algorithm can generate hundreds of millions of dollars, a factor that has helped the firms generate outsize profits in recent years. In the first quarter of 2026, Jane Street made a record profit of $10.3 billion—nearly double the earnings of Goldman Sachs and Morgan Stanley, despite having a fraction of the employees.

That kind of earning power helps top shops compete with tech titans for fresh talent. While pursuing a computer-science doctorate at the Massachusetts Institute of Technology, specializing in machine learning, Andrew Lai interned at Microsoft and Nvidia doing deep-learning research. Then he tried an internship at Optiver, a leading quant firm.

"I did have choices," said Lai, who now works at Optiver full-time.

He preferred quant to other industries because it allowed him to see the results of his research more quickly. Lai also said pay packages were higher than what he could earn elsewhere and, after the nature of the work, compensation was the next most important factor.

About a third of his Ph.D. lab mates ultimately went into quant, with roughly an equal share going into tech, he said.

"Outstanding people are in more demand than they've ever been, and that does create competitive pressure on wages," said Charlie Whitmer, Optiver's U.S. chief operating officer. "As competition increases for outstanding people, prices naturally rise."

To be sure, top firms typically anchor standard entry-level packages between $350,000 and $500,000—but higher pay isn't uncommon, and even the lowest salaries rise quickly. A few years into the job, clearing the million-dollar mark is routine.

The current hiring climate is akin to bidding wars for professional athletes, according to Kevin Cassata, founder of Karbon Agency, an executive-search firm specializing in quantitative finance.

To keep star summer interns from hitting the open market, portfolio managers will bypass standard pay bands and offer astronomical premiums to lock them down early.

"They happen to intern for a highly successful person on a highly profitable desk who wants to take them off the market," Cassata said. "They'll just say, 'OK, here's your return offer—it's $700,000.' "

On rare occasions, Cassata said, he has seen entry-level offers hit $1.5 million.

When Daniel Wu graduated from Stanford with a degree in computer science in 2021, he interviewed at AI labs before eventually joining a quant firm as a researcher.

"Comp was a big factor," he said. "At the time, quant firms were making the most competitive offer financially."

Now, Wu thinks that has changed. Most of his peers are now opting for offers from the likes of Anthropic or OpenAI, drawn in by the prospect of shaping the hottest new technology.

As competition heats up, trading firms are trying to get a handle on young talent sooner.

Optiver is expanding its summer internship programs, which currently supply 70% of its graduate hires. It eventually plans to fill all of its entry-level roles this way. By evaluating students on the job, the firm can lock down top prospects with full-time offers a year or more before they graduate.

Laura Zhang first learned about quantitative-trading firms at a high-school math competition sponsored by one of the companies, where representatives were handing out branded water bottles and T-shirts. At her summer math camp, the traders were back, leading activities and giving talks.

Now studying math and computer science at MIT, Zhang said she was most interested in working in quant after graduating—having watched those same firms compete to hire her and her classmates. The firms have visited campuses and even flown students out to their offices for early-career programs to shadow employees.

"You get to really experience it firsthand," Zhang said. "Not a lot of other industries do that."

To win over this hyperintellectual crowd, firms lean in to their nerdy culture. Optiver sponsors chess grandmasters and hosts an annual tournament, while rival firm Qube Research & Technologies runs an intracompany Rubik's Cube competition.

But the riches on offer risk diverting talent from other math-intensive fields.

At Oxford University's Mathematical Institute, a majority of incoming doctoral students begin their tenure with ambitions to become top academics. But summer internships at quantitative-trading firms that routinely offer students more than $30,000 a month tend to alter those trajectories.

"Once they have a taste of what it means to work for these firms and the amount of money they could be making, the majority of them would rather go into industry," said Alvaro Cartea, an Oxford University math professor and director of the Oxford-Man Institute, who oversees math doctoral students.

His students who go into quant typically earn between the equivalent of $300,000 and $1 million. Those with skills in large language modeling get offers at the higher end of the scale, he said.

"All I'm saying is that temptation is extremely strong," said Cartea.

BRENDON THORNE/BLOOMBERG NEWS

Optiver employees on the trading floor at the company's Sydney office last year.

California Billionaire Tax Gains Democrats' Support

By Paul Kiernan

LOS ANGELES—California's Democratic Party has endorsed the state's proposed billionaire tax, marking a win for its advocates three months before Californians vote on the measure.

At a weekend meeting of hundreds of party officials, the tax proposal on Sunday cleared the 60% of votes needed to overcome objections and land the endorsement, according to a party spokeswoman. California voters will decide whether to approve or reject the ballot initiative in November. If it takes effect, the state's roughly 200 billionaires would pay a 5%, one-time levy.

The support of state Democratic officials gives the proposed levy a public-relations boost that was far from assured.

The tax has sharply divided the party establishment, with Democratic Gov. Gavin Newsom and Democratic gubernatorial candidate Xavier Becerra publicly opposed to it.

The proposal was initiated by a large healthcare union. Several billionaires and some other unions opposed the tax. Both sides mounted fierce lobbying campaigns to try to sway the vote in their favor at the state Democrats' executive board meeting this weekend.

"This endorsement puts to rest the idea that California Democrats are not united by the billionaire tax—they are," said Dave Regan, president of the Service Employees International Union United Healthcare Workers West, which proposed the initiative.

Independent polling has shown a strong majority of Democratic voters in California and a narrower majority of the broader electorate support the tax. The SEIU-UHW proposed the tax to try to raise $100 billion aimed mostly at offsetting the Trump administration's deep healthcare funding cuts.

Progressive leaders including Sen. Bernie Sanders (I., Vt.) and U.S. Rep. Ro Khanna (D., Calif.) have backed the proposal, saying the health funding is needed and that the wealthiest Californians should be paying more.

Newsom, a Democrat seen as a potential 2028 presidential candidate, has argued that the levy could push the state's largest taxpayers to flee. Other opponents include the California Teachers Association and California Professional Firefighters.

After the tax initiative qualified in June for the ballot, the governor and his allies fought to persuade the SEIU-UHW to withdraw it. The union at one point offered to withdraw the proposal in exchange for Newsom backing a smaller wealth tax.

The tax would apply to people who resided in California as of Jan. 1 of this year and who have net worth of $1 billion or more at the end of this year. A person's net worth excludes certain assets, such as real estate they own directly, for purposes of the tax.

REEMA DESAI BOLDES FOR WSJ (3)

Lettuce Scare Boosts Farmers Markets

Cyclospora outbreaks push more shoppers to buy local produce, even if it costs more

By Amira McKee And Maya Davis

Joshua Hargrove had sworn off leafy greens, berries and just about anything else that grew in the ground.

The 24-year-old Howard University law student has spent weeks steering clear of produce, unnerved by cyclospora outbreaks that have made thousands of people sick this summer.

Then, on his way home from a run, he stumbled on a loophole: a neighborhood farmers market.

"It was perfect," he said, and loaded up on blackberries he no longer trusted to buy at the supermarket. "These are probably safer than if I were to get them at the store."

The surge in foodborne illnesses has sent parasite-wary consumers flocking to farmers markets across the country. FreshFarm—operator of the market Hargrove visited and 24 others in the Washington, D.C., area—has had a 30% increase in average foot traffic since early July, said Cat Oakar, the group's executive director.

"Farmers markets offer something that's really valuable right now, and that's transparency," Oakar said. "You're able to know exactly how it was grown, how it was packaged, what hands were touching it, what machinery was touching it, and how it got to the market."

Eli Cook, a 47-year-old farmer who runs Spring Valley Farm & Orchard in West Virginia, has been selling fresh produce at markets since he was 12. He expected a typical midsummer slump in his D.C. farmers market sales this year, as shoppers are lured away by vacations and back-to-school shopping.

Instead, he has broken his sales record.

"Demand for lettuce is like nothing I've ever seen," Cook said. On the mid-July day when he began making social-media posts contrasting the risks of his vegetables to store-bought produce, he sold roughly $7,000 of lettuce—triple his normal sales. To keep up with demand, he has started planting 3 acres of fresh lettuce every other week, rather than his typical 1 acre.

Meanwhile, in U.S. supermarkets, fresh-lettuce sales are sliding, and California farmers are plowing their crops back into the ground as demand slumps. Americans bought around 7.6 million less pounds of lettuce in the four weeks ended July 18 compared with the same period a year earlier, according to data from NielsenIQ.

"The scares are not good for everybody else, but sometimes they can really drive business for us," Cook said.

At the D.C. farmers market, produce prices are many times higher than what supermarkets charge a few blocks away. Some stands sold small cartons of cherry tomatoes for $7, bunches of kale for $4 and a mixed-salad bag for $5. Others displayed muffins for $10.50 and breakfast biscuits for $12.

Antoine Summers, a 56-year-old chef who comes to the farmers market every weekend with his daughter and dog, noted that one bag of spinach was $5. "If you go up to the Safeway now, it's two for five," he said. Still, he said, steeper prices are worth it for the peace of mind he feels knowing the food was sourced locally.

Letisha Steele is the chief executive of Green City Market, which operates two farmers markets in Chicago. In the past few weeks, she said, the markets have been buzzing with discussions of cyclospora.

"We hear it from staff, from shoppers, from farmers," said Steele, who has been fielding more questions about how the food supply chain operates in the wake of the outbreaks. "Everyone is talking about it."

In Michigan, the hardest-hit state in terms of number of cyclospora cases, farmers markets are going gangbusters because of the outbreaks, said Amanda Shreve, who runs the state's farmers market association. So much so that farmers don't always have the supplies to keep up with the flood of shoppers.

Many crops require weeks or months of preparation to grow and harvest, Shreve said, so boosting production is easier said than done. At a recent market on the lawn of the Michigan State Capitol building, several vendors sold out of fresh produce before closing time, she said.

At Golden Earthworm Organic Farm in Vermont, Maggie Wood said she received hundreds of requests to join her produce-distribution service in the weeks since cyclospora began making headlines.

"When everything's great, nobody really thinks about where their food comes from," she said. "Then when there's a problem, they realize they'd rather buy their food from a farmer they know and trust."

Shoppers at FreshFarm Mount Vernon Triangle Market in Washington, D.C., included, at left, Antoine Summers and his daughter and dog. Above, berries for sale at the market.

Growers Plow Crops Under as Demand Dries Up

By Amira McKee

In the verdant fields of California's Salinas Valley, Larry Cox is watching his lettuce wilt.

Cox and his two sons run Coastline Family Farms, which supplies leafy greens to some of the country's biggest restaurant chains and grocery stores. But this week, in the region known as America's Salad Bowl, around 300,000 pounds of his romaine hearts were chopped and plowed back into the soil.

There is no evidence that his, or any of the nation's homegrown lettuce, was infected with the parasite behind an illness outbreak that has sickened thousands of people so far. Even so, that hasn't stopped Cox's dependable restaurant and grocery customers from cutting back on orders.

Many growers are destroying the crops they can't find buyers for. Since lettuce has about a 30-day growing cycle, farmers that are plowing their crops back into the ground are weighing whether to replant or dial back.

"It is incredibly demoralizing," Cox said. "I would've been better off taking a vacation in the South of France than planting the crop."

Outbreaks of cyclospora are rocking every corner of the produce industry as many consumers avoid supermarkets' fresh produce aisles and cut back on visits to some salad-heavy chains. Weeks of growing case numbers, with no definitive cause, have spawned confusion among consumers about what's safe to eat.

"Consumers aren't sure what's right anymore so, out of an abundance of caution, they're just passing on everything," said Joelle Mosso, who leads science and food safety programming at Western Growers, a family farm trade group. She said many growers in California are also plowing their crops back into the ground.

In the U.S., unit sales of fresh lettuce slipped 8.7% for the four weeks that ended July 18 when compared with the prior year period, according to data from NielsenIQ. That's a difference of more than 7.6 million pounds of lettuce.

Other corners of the produce aisle are suffering, too. Of 37 vegetable categories NielsenIQ tracked, 28 showed sales declines over the same period, including carrots, cauliflower, spinach and Brussels sprouts. Salad dressing sales were also down.

"We're seeing a fundamental effect on the entire fresh produce aisle," said Max Teplitski, chief science officer for the International Fresh Produce Association.

While demand usually recovers within months of a typical food-safety scare, high-profile outbreaks have more far-reaching consequences, Teplitski said. He noted, for instance, the E. coli outbreak in spinach in 2006 damped sales for years.

The U.S. Food and Drug Administration has linked one cyclospora outbreak to shredded iceberg lettuce sourced in Central Mexico by Taylor Farms, the country's largest supplier of salad greens. Domestic-grown lettuce, which accounts for most of the country's supply, hasn't been implicated by federal authorities. But that hasn't done much to reassure some shoppers.

Pirro Angers Trump by Ending Pool Case, Doubting Vandalism

By Philip Wegmann And Lydia Wheeler

President Trump rebuked Jeanine Pirro, U.S. attorney for the District of Columbia, after she dropped her effort to prosecute a former Olympic athlete for alleged vandalism to the Lincoln Memorial Reflecting Pool, challenging her conclusion that a "botched installation" during a renovation, rather than vandalism, had damaged the pool.

The controversy over one of Trump's favorite civic projects also prompted criticism of Pirro from Interior Secretary Doug Burgum, who said he had provided the U.S. attorney's office with "expert and eyewitness testimony to the damage done by vandals."

The disagreement between Burgum and Pirro, two longtime loyalists of the president, marked an unusual example of the administration feuding publicly with itself.

"I disagree 100% with Jeanine Pirro," Trump wrote in a social-media post Saturday, referring to a Friday court filing that dismissed the criminal indictment against David Hearn, a former Olympic canoe racer. "I don't know what she was thinking?" he wrote. "To me, it was a pure case of VANDALISM."

Trump has insisted for months that vandals were to blame for damage to the bottom of the Reflecting Pool, which his administration had resurfaced ahead of America's 250th birthday. Pirro, a Trump appointee, initially agreed.

"There was an effort, a violent effort, to rip up the sealant from the bottom of the pool," she told reporters last month when she announced a felony indictment against Hearn for destruction of government property. The charge carried a maximum sentence of 10 years in prison.

A 'botched renovation' caused the damage, prosecutors find.

On Friday, Pirro's office pointed to documents from the Interior Department that "significantly undermine" the evidence that was the basis for charging the former Olympian.

Her office wrote in the court filing that a "visual inspection showed damage throughout the Reflecting Pool, even in the middle of the pool, where a vandal wouldn't likely attempt to peel the lining. Given all of this newly discovered information, it is difficult to attribute the widespread damage to the Reflecting Pool to vandalism."

Aiming to resurface the pool ahead of July 4 celebrations, the government had awarded a contract to a Virginia-based company, Atlantic Industrial Coatings, without a full bidding process.

The $16 million project became a national controversy when the pool bottom began to peel and the water turned from blue to green.

"It didn't peel off," Burgum said during a July 5 CNN interview, insisting that vandals with boxcutters had caused the damage: "There were people literally trying to destroy part of the monument."

Pirro's office blamed the Interior Department for providing "less than fulsome information" at the outset of the case and said it wouldn't have sought a grand-jury indictment had the agency been forthcoming with the information that was "clearly in its possession."

Her reversal drew the ire of Trump on Saturday, and later in the day of Burgum, whose agency oversees the Reflecting Pool, located on the National Mall in Washington, D.C. The interior secretary appeared to blame Pirro for failing to land a conviction.

"The evidence is clear, vandals have repeatedly caused damage to the Reflecting Pool. Some of these acts were even caught on camera," Burgum wrote on social media. He said his department had provided Pirro's office with "every piece of evidence they asked for in the requested time line detailing each area of damage at the pool."

Michigan Election Tests Progressives' Clout

Senate primary will show if Democrats' left wing can be a force in heartland

By John McCormick

A divisive Democratic primary for Senate in Michigan on Tuesday, arguably the party's most consequential contest so far this year, will reveal whether a progressive and socialist groundswell has spread to America's heartland.

The race, in a state critical to the party's prospects for winning a Senate majority, has featured months of infighting over what the party stands for.

The battle between Abdul El-Sayed, a progressive former local public-health official, and Rep. Haley Stevens, a four-term congresswoman, encapsulates seemingly everything dividing Democrats. There has been debate over who is to blame for 2024 election failures, the type of candidate best positioned to beat Republicans in November, the role of corporate and big-dollar campaign money, and the U.S. relationship with Israel.

El-Sayed has support among the Democratic Socialists of America movement, a rising faction within the party that President Trump and Republicans have branded as "communism" and are eagerly using as a line of attack against all Democrats. Republicans say they are excited to run against El-Sayed, arguing his left-wing views will turn off swing voters.

Michigan Republicans are poised to nominate former Rep. Mike Rogers, who narrowly lost the state's 2024 Senate race. The seat is being vacated by Sen. Gary Peters, a Democrat who chose not to seek a third term.

FROM LEFT: SARAH RICE/BLOOMBERG NEWS; REBECCA COOK/REUTERS

Abdul El-Sayed, a progressive former local public-health official, and four-term Rep. Haley Stevens are competing to the fill the Senate seat held by Democrat Gary Peters, who is retiring.

A Democratic loss in Michigan would make it harder for the party to net a gain of four Senate seats to flip control of the chamber in November. Trump won the state by 1.4 percentage points in 2024, and its Senate race is rated a tossup by nonpartisan analysts.

If El-Sayed wins, it would be a sign that the party's leftward shift is taking place beyond coastal and deeply blue enclaves, such as in New York and Colorado, where DSA-aligned candidates have defeated more centrist incumbents in Democratic primaries. It would also add wind to the sails of progressive and DSA candidates in coming primaries, including those with similar dynamics in Wisconsin and Minnesota that follow just one week later.

"It's a huge risk to nominate a far-left candidate in a swing state in such an important year," said former Rep. Cheri Bustos, a centrist Democrat who repeatedly won a western Illinois congressional district filled with Trump voters.

"The Democratic Party has to learn the same lesson over and over again: these far-left socialist candidates are not electable in the swingiest districts and swingiest states," she said.

El-Sayed is endorsed by progressive icons Sen. Bernie Sanders of Vermont, Reps. Alexandria Ocasio-Cortez of New York and Ilhan Omar of Minnesota, and the United Auto Workers. He has also campaigned with Hasan Piker, an online influencer who has been accused of antisemitism.

Centrists in the party argue that victories by the progressive wing could hurt Democratic chances of scoring gains in an otherwise favorable election environment. Trump's job approval rating hit a record low in a recent Quinnipiac University poll, and gas prices are high amid growing concerns about the war with Iran.

Stevens is backed by Sen. Chuck Schumer of New York and Michigan Gov. Gretchen Whitmer, among other establishment figures, as well as by some unions, pro-Israel groups and Emilys List, which supports abortion-rights candidates.

Stevens has acknowledged El-Sayed's campaigning talents, describing herself as a workhorse competing against a show horse and arguing her opponent—a veteran podcaster—is more interested in celebrity status than in helping Michigan.

The race showcases divisions among Democrats about how to win competitive elections. One wing asserts that battleground districts and states are won by wooing independent voters with moderate policy ideas, while another thinks voters are eager for dramatic change at a time of widespread skepticism of government and widening economic disparity.

"This is a chips-on-the-table moment where there are two different theories of the case," said Adam Green, co-founder of the advocacy group Progressive Change Campaign Committee and a supporter of El-Sayed. "This is ground zero for the future of the Democratic Party."

Almost every poll released publicly in July shows El-Sayed with a lead, some by more than 10 points.

El-Sayed bristled in a recent Wall Street Journal interview when asked how he relates to DSA, a group some of his supporters associate with. "I'm not technically or practically DSA," he said.

Stevens has been aggressively courting Black voters, who accounted for about one-fifth of the electorate in the state's last competitive Democratic primary, during the 2020 presidential election.

She and groups backing her have repeatedly sought to connect her with former President Barack Obama, who praised her at a rally when she first ran for Congress in 2018.

Obama hasn't endorsed in the race.

Democrats Have Donor Problem

Continued from Page One

money was spent in the 2024 presidential election, when nominee Kamala Harris raised more than $1 billion but still lost after a rushed process to nominate her.

Others point to the divisions in the Democratic Party's donor base over the war in Gaza and an insurgent group of Democratic socialists.

Rufus Gifford, a former fundraiser for Harris and Barack Obama, put himself on the map last week as a major critic of DNC Chairman Ken Martin when he penned a Substack post saying Martin should step down.

"At this point, I think there is no saving Martin's chairmanship. He is a good man with good intentions but simply not meeting this critical moment," Gifford wrote.

Defenders of the DNC and other committees say their fundraising levels are comparable to past similar cycles. The DNC raised more money by the end of June 2026 than it had raised during the same period in the 2017-18 cycle, when Democrats were similarly out of power in Washington.

Martin's allies say he was elected to the post not for his ability to court the richest Democrats but because of his strong ties to state Democratic leaders and commitment to helping rebuild the Democrats' organizing ability on the ground. He has focused his chairmanship on transferring as much money as possible to all 50 states, giving him a strong base of support among the state party leaders who are powerful within the committee.

"People were exhausted after the last election. It was so intense and for so many of us, there was so much money donated, and those people feel like they didn't get a return on their investment—but that is not Ken's fault," said Gary Czaplewski, who coordinates seven figures of spending on behalf of donors each election.

But a deeper realignment may be under way: While some big donors are tired of giving to central committees who decide how the money is spent, they are fundraising for star candidates.

In Nantucket this past weekend, Gifford was hosting a sold-out fundraiser for James Talarico, a fresh-faced former teacher who has a shot at defeating Republican Ken Paxton in the Texas Senate race.

Talarico has raised $55 million this year for his bid, while Paxton, the state's attorney general, raised close to $4 million, a sign of how establishment-weary Democrats are still interested in giving money to candidates and causes that excite them. Hoffman, the LinkedIn co-founder who hasn't donated to the DNC, has given money to a pro-Talarico super PAC.

Sen. Jon Ossoff (D., Ga.), who is seeking re-election in November, raised $34 million this year, more than 10 times as much as the $3.2 million his opponent, GOP Rep. Mike Collins, pulled in. While both Talarico and Ossoff are hot tickets at fundraisers this summer, much of their fundraising has come from individual donors giving $200 or less online.

A spate of Democrats hoping to win the party's presidential nomination in 2028 have blitzed through the Hamptons in recent weeks, including Pennsylvania Gov. Josh Shapiro and Maryland Gov. Wes Moore.

In past summers, the DNC has hosted its own summer soirees, like a 2022 bash at then-New Jersey Gov. Phil Murphy's mansion where Jon Bon Jovi co-hosted and President Joe Biden spoke. The event raised $1 million, according to reports at the time.

The DNC will hold a Martha's Vineyard event in August featuring Maryland Sen. Angela Alsobrooks and others, a committee official said. Critics complain that its events lack star power. Among former presidents and their spouses, only one—Hillary Clinton—has agreed to headline an event this year for the committee, people familiar with the committee said. Last year, Obama did one event.

"Ken needs to ask for help and get more Democrats to help him to raise the money in order for the party to pay its bills," said Donna Brazile, a longtime DNC member who has twice served as interim chair.

In recent weeks, the DNC did have a successful major event: A June gala near Broadway in New York City raised $1.3 million and featured Tony-winning actor André De Shields, Illinois Gov. JB Pritzker and Mary Trump, the president's estranged niece.

Critics say Martin has done little to instill confidence and quell party unrest during the months since President Trump's election. Martin's decision to release an incomplete "autopsy" of the 2024 elections in May led a number of Democrats to call for his resignation.

The dispute again spilled into public view in July, after media reports described discord within the building including Martin throwing a phone at a DNC aide's desk, which led to a human resources complaint, the New York Times reported. Party activists have noted that the DNC is struggling with $18 million in debt while it has $16 million cash on hand, and has been consistently outraised by Republicans.

"The general consensus is that Ken has lost the confidence of party leaders, elected officials but most importantly, the donor base. I think once that is gone it's nearly impossible to get back," said Shannon Watts, the founder of Moms Demand Action who became a member of the DNC's national finance committee after she raised millions of dollars for Harris's 2024 presidential campaign.

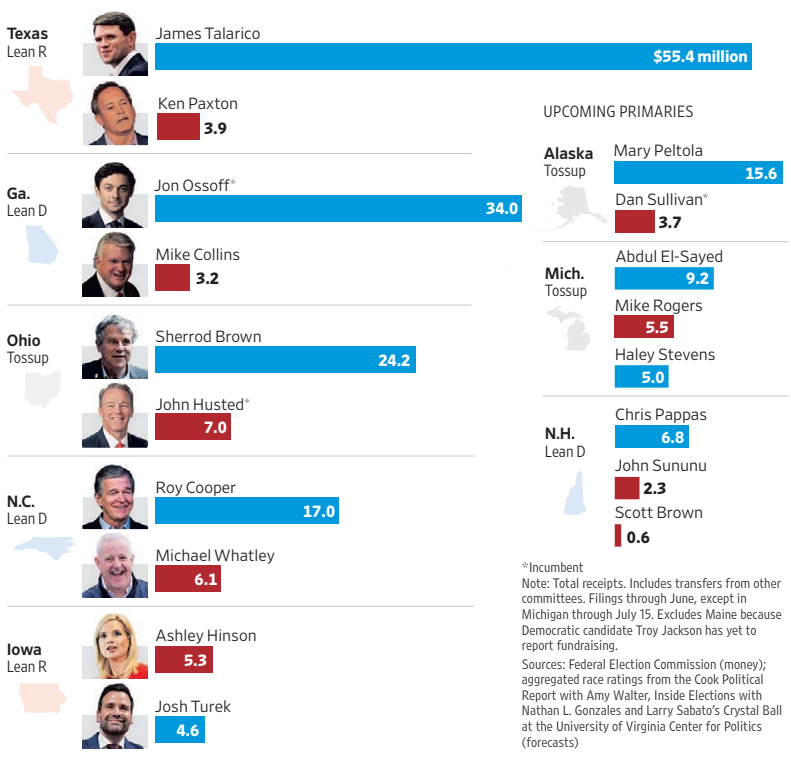
Following the election, Watts said she was excited to help the party and looked forward to working with Martin. But she said she never heard from him.

Because the same state leaders who strongly support Martin would have to vote to remove him from his post, he isn't expected to step down.

As criticism raged against Martin online last week, he paid little mind to the internet, hopping from Atlanta to Nashville, Tenn., for events where he met with mayors and civil rights leaders. Recently, he published a 3,000-word essay on Substack defending his approach and insisting Democrats are well-positioned to win heading into the midterms and 2028.

"I think it's always a very tough job," Sen. Chris Murphy (D., Conn.) said of the DNC chairmanship. "The amount of money is certainly concerning, but at the same time, we're not necessarily losing elections these days because candidates don't have enough money. It is because [Republicans] have billionaires."

Democrats are outraising **Republicans** in most competitive Senate races, those where the forecast is a tossup or leans one way or the other.

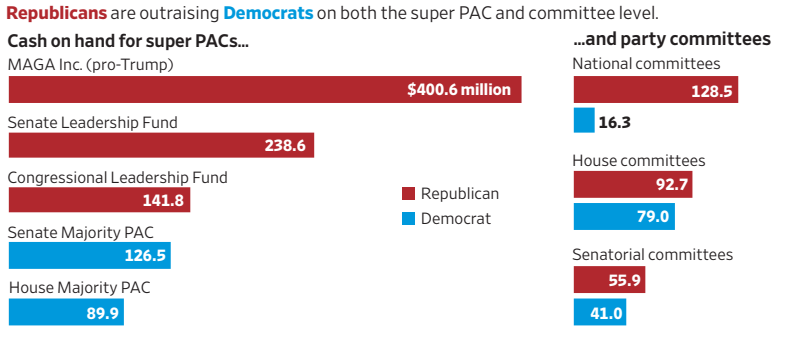


*Incumbent

Note: Total receipts. Includes transfers from other committees. Filings through June, except in Michigan through July 15. Excludes Maine because Democratic candidate Troy Jackson has yet to report fundraising.

Sources: Federal Election Commission (money); aggregated race ratings from the Cook Political Report with Amy Walter, Inside Elections with Nathan L. Gonzales and Larry Sabato's Crystal Ball at the University of Virginia Center for Politics (forecasts)

Republicans are outraising **Democrats** on both the super PAC and committee level.



Note: As of June 30. The Democratic National Committee reported $18.5 million in debt.

Source: Federal Election Commission

ANTHONY DEBARROS and KARA DAPENA/WSJ

House Member's Bid Shaken By Abuse Allegations

By Ken Thomas And Philip Wegmann

WASHINGTON—A bitter dispute involving domestic-abuse allegations against an Ohio congressman, Republican Max Miller, broke further into the open on Sunday when Sen. Bernie Moreno said his former son-in-law shouldn't continue to serve in Congress ahead of a crucial election-year deadline.

In a social-media post, Moreno (R., Ohio) accused Miller of "increasingly erratic and dangerous behavior" toward Moreno's daughter and wrote: "If there are any basic standards of character required to hold elected office, Max Miller fails them. He should not serve in the House of Representatives." The senator's daughter, Emily, was divorced from Miller in 2024. They have a young daughter.

Moreno had declined to speak about the family dispute at length but broke his silence on Sunday ahead of a Wednesday deadline to replace Miller on the Ohio ballot, should he withdraw. Miller, however, said he was never abusive and that he would continue to seek re-election to Congress.

"I'm not getting out of this race, and I'm winning in November," Miller said in a 20-minute livestream on X on Sunday, denying that he ever abused his former wife and the couple's 2-year-old daughter. Speaking in detail about the couple's custody battle, the congressman said his former wife had "significant mental-health challenges."

A spokesman for Emily Moreno dismissed the video as unhinged before accusing the congressman of using his own daughter "as a PR pawn" to save his political career.

The White House didn't comment on the case. Bernie Moreno and Miller are staunch allies of President Trump and have received the president's endorsement in their campaigns. Miller, who was first elected to the northeastern Ohio seat in 2022, is a former White House and Trump campaign aide, while Moreno is a close confidant of the president who often travels to the president's Florida home.

Miller won his 2024 election with 51% of the vote, and Democrats have viewed the Republican-friendly seat south of Cleveland as a potential pickup opportunity in the November elections. Brian Poindexter, a union ironworker and city-council member in Brook Park, Ohio, is Miller's Democratic challenger.

Some Ohio Republicans have privately expressed frustration that Trump, House Speaker Mike Johnson and their campaign committees haven't done more to address the situation, given the risk that the allegations against Miller could cost the GOP a House seat and potentially depress GOP turnout in a state with competitive races for governor and Senate.

Sunday's exchanges between Miller and Moreno came after recent media reports involving the legal dispute between Miller and Emily Moreno, who has accused her former husband in court filings and police reports of throwing boiling water at her, holding a gun to her head and other physical abuse. She also alleges that their daughter's collarbone was broken while she was under Miller's care.

Miller has denied the allegations. Miller also said allegations that he had abused his daughter were investigated by the Cuyahoga County Division of Children and Family Services and weren't substantiated.

TOM WILLIAMS/CQ ROLL CALL/ZUMA PRESS

Rep. Max Miller (R., Ohio)

Terror Victims Seek a Share Of Firm's $778 Million Penalty

Lafarge paid fine in Syrian case; military families say they are entitled to funds

By Greta Reich And Sadie Gurman

Four years ago, the French cement company Lafarge agreed to a first-of-its-kind guilty plea in which it acknowledged funding Islamic State and an al Qaeda affiliate to protect its Syrian plant and paid the U.S. $778 million in penalties.

Victims of attacks by those terrorist groups in Syria have said they are entitled to some of that money.

Their requests to the Justice Department for compensation have gone unanswered under the Biden and Trump administrations and have now caught the attention of some members of Congress.

Lafarge "already paid fines to the DOJ, but our government hasn't given us a penny of that," said Lindsey Stacy, whose husband, retired Navy Senior Chief Petty Officer Kenton Stacy, was left quadriplegic and blind in one eye after an explosive blast in Syria in 2017.

The money would be a reprieve from his healthcare costs and the electrical bills, which his family said have soared with his use of a ventilator to breathe. President Trump praised Kenton by name in his 2018 State of the Union address for his role in the fight against Islamic State.

"If Trump's going to talk about Kenton, why has there been no follow-up?" his wife said.

The Stacys and four Gold Star families are each seeking $15 million from the Lafarge penalty payment, which is being held in a Justice Department fund that manages proceeds of property and cash seized from convicted criminals. The fund has returned more than $13 billion in forfeited assets to victims and their families since 2000, according to the department, which has said paying victims is a priority.

The DOJ, for example, continues to pay thousands of people who suffered losses in international consumer scams through **Western Union** wire transfers after the financial-services company agreed to forfeit $586 million to the government in 2017. The department is also still compensating people who were sex-trafficked through ads on the website Backpage.com, which the Federal Bureau of Investigation shut down in 2018.

Connecting Lafarge's conduct to the terrorist-attack injuries is more complicated, raising questions on whom the Justice Department views as a victim, when its payouts have been in the spotlight.

The fund to which the families are seeking access can only compensate victims who have financial or economic losses related to the crime for which a defendant was convicted, a Justice Department official said. While the attorney general has some discretion to approve compensation in certain cases, that decision is still bound by statute and regulation, the official said.

Sorting out who is entitled to the funds raises questions that can take years to answer, said Stefan Cassella, a former federal prosecutor who specialized in asset forfeiture.

"The government's objective is to get the money to the victims," Cassella said. "I don't know of a case where legitimate victims of a crime were denied money because the government wants to keep it for itself."

The Stacys and other families filed formal requests in September 2023 to the attorney general's office, then led by Merrick Garland, which administers the fund.

Two senators who are weighing whether to confirm acting Attorney General Todd Blanche to the position permanently have pressed him on the issue.

Sens. Marsha Blackburn (R., Tenn.) and Dick Durbin (D., Ill.) asked Blanche about the lack of action on the families' requests. He said in a written questionnaire that he wasn't familiar with the specific families or their requests.

Blanche said he would review the matter and "ensure the Department takes appropriate action to comply with applicable law in order to support servicemembers and their families." He also said he would be willing to meet with families or their attorneys.

Then-Attorney General Pam Bondi told Rep. Andy Biggs (R., Ariz.) during a congressional hearing this year that "we are aware of that and we are committed to doing everything we can to support the victims."

Justice Department payouts to victims have recently been scrutinized for an additional reason. Blanche continues to draw bipartisan criticism for his role in the creation in May of a controversial $1.8 billion "anti-weaponization" fund that would have compensated people who said they were victimized by the government.

This could have included Trump supporters who stormed the Capitol on Jan. 6, 2021, as well as some groups who were the target of Internal Revenue Service scrutiny related to cases the Biden administration brought under a statute meant to provide access to abortion clinics.

Blanche has said the Justice Department has abandoned that fund, which remains a concern at the center of his confirmation fight.

The Lafarge case was the first time the Justice Department prosecuted a corporation, rather than an individual or organization, for providing material support to foreign terrorist groups.

TERRY FLORES/U.S. NAVY

Retired Navy Senior Chief Petty Officer Kenton Stacy was left quadriplegic and blind in one eye after a blast in Syria in 2017.

WORLD NEWS

Violent West Bank Clashes Are Intensifying

Fighting between settlers, Palestinians comes amid Israeli push for territory

By Anat Peled And Suha Ma'ayeh

Hussain Tantawi was woken by a frantic phone call from a neighbor at 3:25 a.m. on a recent Sunday. Israeli settlers had set fire to the newly built mosque in his West Bank village. He rushed out of his house in shorts and slippers, calling his cousin on the way to come help. When he arrived, the building was engulfed in fire, the word "revenge" sprayed on its entrance.

In a region where violence often begets violence, the graffiti and the flames around it were an unambiguous response to the killing of two Israelis in clashes in the West Bank. The name of one of the Israelis, a member of a security team for a nearby settlement, was written on a wall of the mosque.

Tantawi, 34 years old, and a group of men tried to tame the flames, but it was too late. After sunrise, villagers in Qusra, near the city of Nablus, walked through the scorched remains of the Al-Rahma mosque, broken tiles littering the ground, videos showed.

Settler violence has risen sharply since the 2023 Hamas-led attacks on Israel spurred an Israeli government expansion of settlements in the West Bank, which Israel has occupied since the Six-Day War in 1967.

Under Prime Minister Benjamin Netanyahu's hard-right government, Israel approved thousands of housing units last summer in an area near East Jerusalem called E1, where construction plans had been delayed because of international criticism that they would isolate Palestinian communities and complicate the prospects of a future Palestinian state.

Israel has also rapidly expanded the construction of outposts and roads that have further divided Palestinian areas. Much of the world considers Israeli settlements in the West Bank illegal under international law, though Israel disputes this.

LEO CORREA/ASSOCIATED PRESS

Children outside a newly built mosque that was burned by Israeli settlers during a recent attack in a West Bank village.

Those changes have been led by Finance Minister Bezalel Smotrich, a leader of the settler movement who has been targeted with sanctions by several Western countries for allegedly inciting violence against Palestinians. Smotrich also oversees civil affairs in the occupied Palestinian territories via a separate post in the Defense Ministry.

Palestinians in villages such as Qusra say settlers from nearby outposts regularly come into their towns, spray graffiti, intimidate villagers and cut their electricity and water.

"We feel terror," Tantawi said. The electrician says he no longer lets his four children leave the house after dark. He and others in Qusra have padlocked doors and covered windows with iron bars and mesh to prevent settlers from throwing incendiary devices inside.

The torching of the Al-Rahma mosque in Qusra over the last weekend in July came after clashes with settlers that left two Israelis and four Palestinians dead. The Israeli military followed with the arrest of dozens of Palestinians, while settlers attacked villages across the West Bank. Two mosques including Al-Rahma were set ablaze, along with cars, industrial sites and homes.

The Israeli military condemned the damage to religious sites. "Such incidents divert the attention of the security forces from counterterrorism activities and undermine efforts to maintain security and stability in the area," it said.

The number of settler attacks has risen each year since 2023, according to the United Nations. There have been more than 1,330 incidents involving Israeli settlers that resulted in casualties, property damage or both since the start of 2026, according to the U.N. Office for the Coordination of Humanitarian Affairs. More than 77 Palestinians, including 18 children, have been killed by Israeli forces or settlers in 2026, OCHA said Wednesday.

Netanyahu attributed settler violence to "about 150 what you would call juvenile delinquents" in an interview with CNN in early July. Smotrich dismissed the idea that settler violence was widespread and called it a "blood libel" in an interview with Israeli media on July 27.

But some former Israeli security officials disagree.

Former Israeli Gen. Mendy Or, a former coordinator of government activities in the Palestinian territories, said it appeared settler violence is part of a well organized effort by government ministers, backed by Netanyahu, to force Palestinians out of Area C, which comprises 60% of the West Bank, and other areas there.

The Israeli prime minister's office didn't respond to a request to comment.

In many cases, violent settlers known as Hilltop Youth steal livestock, enter Palestinian homes, cut their electricity and water, and try to frighten villagers off the land, he said.

Commanders for Israel's Security, a group of more than 500 ex-Israeli security officials, sent President Trump a letter urging him to raise the issue of settler violence prior to his meeting on July 28 with Netanyahu in Washington.

"Unless arrested swiftly and decisively, escalating violence in the West Bank is poised to ignite the region and carries severe ramifications for both Israeli security and U.S. regional interests," the letter read.

Neither the White House nor Netanyahu said whether the subject came up.

'Preparing the Ground'

More than 118 Palestinian shepherding communities have been pushed out of the West Bank between January 2023 and the beginning of 2026, according to data from Peace Now, an Israeli organization that tracks West Bank land seizures.

The group says 185 new Jewish outposts were built during the same period.

"My dream for Judea and Samaria is full Israeli sovereignty over this area," Finance Minister Bezalel Smotrich said July 27. "What I am doing now is preparing the ground de facto for this event."

Smotrich said he had led a "revolution" in Israel's management of the West Bank by building settlements, roads and farms.

Israeli security forces used to be able to detain and hold violent Jewish settlers without formal charges or trial, a practice known as administrative detention. But Israeli Defense Minister Israel Katz halted administrative detentions of Jewish settlers in 2024, while leaving the policy in place for Palestinians.

Rights groups, Palestinians and some former Israeli officials accuse the security forces of failing to stop settler attacks or even of participating in them.

The military said soldiers are instructed to stop violations of the law by Israeli citizens against Palestinians in the West Bank when they encounter them.

Gulf Allies Sway U.S. Shift on Iran

Continued from Page One

been talked down by U.S. allies.

"We were all set to go, but when the allies asked to call it off, you got to sort of say, 'Well, let's see,'" he said.

Still, if talks falter as they have in the past, Trump could once again fall into a familiar cycle of reviving his military threats shortly after he shelved them.

"He is trying his hand now at a diplomatic solution to avoid military escalation. But there's no clear path, either diplomatically or militarily, to get Trump to a place where he can declare victory," said Vali Nasr, an Iran expert at Johns Hopkins University.

This cycle has destabilized the Middle East and complicated the domestic agenda for Trump, a Republican. Iran in recent weeks has carried out attacks on a number of U.S. allies in the region, including Jordan, Bahrain and Kuwait, while its proxies in Iraq have launched drones at Saudi Arabia.

Iran's ability to essentially shut down the Strait of Hormuz has pushed up the price of gasoline and forced the U.S. and other counties to eat into their oil reserves. Meanwhile, Republicans in Congress, with just three months until the midterm elections, have pressed the White House to better articulate the goals for the Iran war and explain how it will end.

That concern was underscored when three U.S. soldiers were killed in an Iranian missile attack against their base in Jordan, bringing the total to 18 service personnel killed in action since February.

When he ordered attacks on Iran in late February, Trump began the war with limited international support and public opinion polls that showed many Americans hadn't been convinced that Tehran presented an urgent nuclear threat.

BRENDAN SMIALOWSKI/AGENCE FRANCE-PRESSE/GETTY IMAGES

Saudi Crown Prince Mohammed bin Salman and President Trump at the White House last year.

Trump sought to reassure a restive public that rising gasoline prices wouldn't last long, projecting that the conflict could be over in four to six weeks. His reservoir of support, abroad and at home, has shrunk as the war has entered its sixth month.

Trump's supporters said that his drumbeat of threats and visible impatience had encouraged a flurry of diplomatic activity that could result in a long-sought agreement that will finally bring the war to a close.

Trump wrote in a social-media post Saturday night that Iran and other Middle East countries were imploring him to cancel his attack because the "perimeters of a deal" had been hammered out.

Trump delivered that message after talking with Saudi Crown Prince Mohammed bin Salman. Trump said he asked him, "Would you rather have us do this or not?" He said that the prince replied that "we would much prefer a deal as opposed to an attack because you don't know where these attacks lead."

But Trump didn't call Israeli Prime Minister Benjamin Netanyahu, with whom he launched the war, and who remains the loudest voice in the president's ear for more military action.

There were initial signs of a diplomatic opening Sunday.

Iranian Foreign Minister Abbas Araghchi said talks with Oman about a mechanism for ships to traverse the strait was "nearing completion and in their final stages," according to Iranian state media. Left unsaid was whether Tehran is prepared to permanently drop its demand that it should be able to collect tolls from transiting commercial vessels and if those negotiations would lead to a fully reopened waterway.

Araghchi also called his Saudi counterpart, Prince Faisal bin Farhan, to discuss further de-escalatory measures, according to a readout from Riyadh.

Trump's critics say the president's abrupt twists and turns reflect his unhappiness with his remaining military and diplomatic options and don't reflect a carefully calibrated strategy.

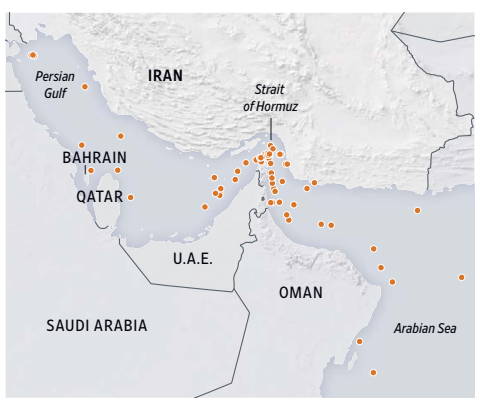
"His flailing is a terrible blow to U.S. deterrence," said Daniel Shapiro, a senior Pentagon official during the Biden administration who also served as U.S. ambassador to Israel under President Barack Obama. "No one believes anything he says—not allies and certainly not our Iranian adversaries."

The diplomatic pathway has insulated Trump from the risks of major military actions, at least for now. But diplomacy carries its own risks, including that Iran may view Trump's vacillation as a reason to try to maximize its leverage in the talks.

"Negotiating a resolution that preserves freedom of navigation won't be quick or easy," said Suzanne Maloney, vice president for foreign policy and an Iran expert at the Brookings Institution. "It's not obvious that this administration has either the bandwidth or the attention span needed."

A Graphics Report: See How Tanker Strikes Are Piling Up in the Iran War

Commercial vessels attacked or boarded near the Strait of Hormuz since March 1



Note: Data is through July 30.
Source: The Washington Institute for Near East Policy

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U.S.-Led Discussions Sideline Venezuela's Opposition Leader

By Vera Bergengruen And Kejal Vyas

JESUS VARGAS/GETTY IMAGES

Venezuela's interim president Delcy Rodriguez, center, speaks at a news conference last month.

Nearly seven months after the U.S. toppled Venezuelan Nicolás Maduro, the first formal negotiations intended to steer the country toward democracy kicked off Saturday—without the opposition's most influential leader.

The U.S.-backed talks involve the government of acting President Delcy Rodríguez and some of the political opposition, part of Washington's stabilization-and-recovery plan for the South American country. The negotiations aim to put Venezuela on a path toward a democratic transition, U.S. officials say.

But the process has excluded the country's most prominent opposition leader, María Corina Machado. Critics fear the move could buy time and legitimacy for the unelected leadership of Rodríguez, Maduro's deputy who has forged an alliance with the Trump administration centered on reopening her country to American investors.

U.S. officials have thrown their support behind the talks, casting them as an "important next step" amid criticism the White House is giving priority to economic deals and the reopening of the oil sector over a democratic transition.

"They're not really ready for them yet," Trump said recently when asked about elections. "But, boy, a lot of progress has been made. Delcy has been doing a fantastic job."

Trump officials have contended that rebuilding Venezuela's democratic institutions will take time, and have resisted giving a timetable for elections. Secretary of State Marco Rubio has said the country first needs a credible electoral council, a free press and measures to protect voters from intimidation. "We are there to facilitate it, not to dictate it," Rubio told reporters on a recent trip to Asia.

The government led by Maduro and now Rodríguez has long been accused of dragging out negotiations to delay reforms and tighten its authoritarian grip. Now it is being forced into new talks by a U.S. government eager to show that it hasn't abandoned the idea of political transition, said David Smilde, a professor at Tulane University who closely tracks Venezuelan politics.

The process has excluded opposition leader María Corina Machado.

"The U.S. wants to show a foreign policy win—long, steady progress in a way they haven't been able to show anywhere else, like in Iran," said Smilde. "It's kind of the United States that calls the shots on this."

Machado and Edmundo Gonzalez, the retired diplomat whom independent observers say won the 2024 election, have responded skeptically to the talks. They said they played no role in their "design, construction or operation" and that the mandate delivered by voters in the 2024 presidential election "remains in force."

Rodríguez's party is represented in the talks by her brother, Jorge Rodríguez, who heads the National Assembly and had served as Maduro's top negotiator during numerous past failed negotiations. The opposition will be represented by a group of lawmakers who were elected to the National Assembly in 2015, overwhelmingly defeating Maduro and his allies. That assembly is the last institution in Venezuela that the U.S. recognized as democratically elected.

"We have said that we will talk to anyone," Venezuelan Interior Minister Diosdado Cabello said last month. "Dialogue does not mean capitulation."

Opposition representative Dinorah Figuera said the process aims to deliver the institutional foundations to call for an election by December this year. Figuera, who had been the last leader of the 2015 assembly, had lived in exile in Spain and worked at a nursing home there before recently returning to enter the political discussions.

The new process "will open a step toward a democratic future for Venezuela," she said in an X post Friday.

This effort shows that the U.S. isn't willing to use its leverage—which it has used to control Venezuelan oil revenues among other things—toward a real democratic end, says Carrie Filipetti, who served as a senior State Department official overseeing Venezuela policy during Trump's first term.

The talks "cannot realistically represent the democratic voices in Venezuela if the person who represents the significant majority of those voices, María Corina Machado, is not only not leading negotiations for the opposition, but isn't even safe to return to Venezuela in the first place," Filipetti said.

◆ Oil majors hit wall trying to get into Venezuela..... B1

Star Climber Among Dead After Avalanche

By Krishna Pokharel and Waqar Gillani

Renowned climber Nirmal Purja and nine other mountaineers died in an avalanche while scaling a mountain in Pakistan on Thursday, Purja's expedition company said Saturday.

Earlier Saturday, a tourism minister for the region in Pakistan said four bodies had been recovered and several other bodies were spotted by a drone. Rescuers don't expect to find anyone alive because of the intensity of the avalanche, he said.

"Today, we mourn not only Nims, but every life lost in this tragedy," said Elite Exped, the expedition company that Purja co-founded, referring to him by his nickname.

Apart from Purja, the expedition included five Nepalese, an American woman who was climbing with a Pakistan national, an Omani woman and a Chinese national. Purja was leading them up Broad Peak, the 12th-highest mountain in the world at 26,400 feet, part of the Karakoram mountain range.

Purja, 43, was born in Nepal and joined the British Army's special forces before embracing mountaineering as his passion and career. In 2019, he scaled all of the world's 14 peaks higher than 8,000 meters, or about 26,250 feet, in six months and six days, then a record at the time. His achievement was the subject of the Netflix documentary "14 Peaks." He climbed the peaks again, this time without supplementary oxygen.

The bodies of U.S. national Mallory Geis and Nadhira Alharthy, an Omani climber, were among those that had been recovered, a Pakistan minister said Friday.

Geis, an American travel photographer from Texas, was making her first attempt to climb the mountain, along with her Pakistani team member, according to a social-media post from Moving Mountains, an expedition company in Pakistan.

Alharthy was the first woman from her country to climb Mount Everest.

In a social-media post last week, Purja said he was hoping climbing Broad Peak would bring him closer to becoming the first person in history to twice climb the world's 14 highest peaks without oxygen.

"I take zero mountains for granted," he said.

AAMIR QURESHI/AGENCE FRANCE-PRESSE/GETTY IMAGES

Climber Nirmal Purja died over the weekend in an avalanche.

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INTERNATIONAL WOMEN'S MEDIA FOUNDATION

Le Pen's Protégé Tries to Court France's CEOs

By Noemie Bisserbe And Stacy Meichtry

PARIS—Jordan Bardella, president of the far-right National Rally party, walked into a private dining room in late April and took his seat among a dozen of France's most powerful business lobbyists.

For many of the executives, the meal marked the first face-to-face encounter with the 30-year-old protégé of far-right leader Marine Le Pen—or any leader from their party, for that matter.

National Rally's brand of politics had long been taboo in corporate France. The party's founder, Jean-Marie Le Pen, was an outcast for his racist, antisemitic rhetoric. His daughter, Marine—now seeking the French presidency—cemented the divide by championing protectionism and state intervention in the economy.

Everyone attending the lunch inside the Paris headquarters of France's business lobby, Medef, had agreed ahead of time to keep the details of the discussions confidential.

Amid the clinking of cutlery, Bardella sought to reassure the executives that National Rally was no longer hostile to the interests of big business.

"I believe in entrepreneurial freedom," Bardella told the gathering, according to a participant.

Bardella is courting France's corporate establishment in an attempt to broaden National Rally's appeal with mainstream conservatives ahead of next spring's presidential elections. Polls show Marine Le Pen is leading that race after an appellate court lifted a ban on her candidacy. If elected, Le Pen has pledged to appoint Bardella as her prime minister.

The strategy ultimately aims to break the so-called *cordon sanitaire*, the political firewall that establishment parties have maintained around National Rally for decades to keep it out of power.

"The National Rally is clearly pursuing a strategy of de-demonization, a quest for legitimacy from business circles," said Pascal Demurger, chief executive of French insurer MAIF. Demurger has refused to meet with Bardella.

It is a dramatic pivot for a party that has long defined itself in opposition to the establishment, railing against the global elite.

Bardella rose to prominence by presenting himself as the voice of France's working class. The son of Italian migrants, he grew up in the Paris suburb of Saint-Denis, where he said he witnessed firsthand the poverty and violence that he says stems from immigration.

PHILIPPE MAGONI/POOL/REUTERS

Jordan Bardella joined Marine Le Pen last month in Nice.

In recent months, Bardella has cultivated a very different image. Breaking with what he described in his 2024 autobiography as a golden rule to keep his personal life private, Bardella went public with his romantic relationship with Maria Carolina of Bourbon-Two Sicilies—a 23-year-old Italian princess and social-media influencer.

In April, a stroll they took on the Mediterranean island Corsica made the cover and a 10-page photo spread in the glossy society magazine Paris Match. In June, Bardella was photographed sipping from a wine glass alongside the princess in a VIP box at the Monaco Grand Prix.

"His appearance in Monaco alongside the princess is a calculated move, aimed at winning over the votes of the bourgeois right, who don't vote for the National Rally," said French Industry Minister Sébastien Martin, a member of the conservative party Les Républicains. "But he risks alienating the working-class supporters who form the National Rally's core electorate," he added.

A spokesman for National Rally didn't respond to requests for comment.

Whether Bardella can broaden National Rally's appeal hinges on his ability to cast his party as a reliable steward of the European Union's second-largest economy.

National Rally has long drawn support with its anti-immigration stance, propelling Le Pen into runoffs with French President Emmanuel Macron in previous elections. But the party's approach to the economy has been an Achilles' heel. In the 2017 election, Le Pen spooked voters with her call for France to exit from the euro, a stance she later abandoned.

More recently she championed tax increases on windfall corporate profits, the nationalization of the highway system and a lowering of France's retirement age. Business leaders worry such measures will discourage foreign investment and blow an even bigger hole in the country's public finances.

But business leaders are also reckoning with a fast-changing electoral landscape. In one election cycle after another, pro-business parties like Macron's Renaissance have seen their majorities in the 577-seat National Assembly evaporate, resulting in a fragmented parliament that has struggled to pass legislation. National Rally, meanwhile, has gone from holding a handful of seats to 122, more than any other single party in the assembly.

That ascendance has ratcheted up pressure on corporate leaders to take meetings with a party that many of them previously shunned. Patrick Martin, president of the Medef business lobby that organized the lunch with Bardella, said National Rally's rise in the polls had earned it a place at the table.

"Medef isn't responsible for giving National Rally 35% or more of the electorate," Martin said. "This is a recognized party. We're in a democracy."

With Le Pen struggling to gain traction with elites, she has deployed Bardella as the business-friendly face of the party. He is clean-cut and invariably dons the same uniform as corporate France: a dark tie, dark suit and crisp white shirt.

Business leaders who have interacted privately with Bardella say he has revealed little about his economic approach, leaving many to wonder if there is really any daylight between him and Le Pen.

Spain Expels Most Migrants From Enclave

By Benoit Faucon And David Luhnow

CEUTA, Spain—Most of the tens of thousands of immigrants who stormed into a Spanish enclave in North Africa have now left, Spanish officials said on Saturday, while army troops and police were rounding up most of the remaining migrants who refused to leave.

Ceuta remained tense. At a beach near the border crossing with Morocco, a few pensioners in swimsuits sat under parasols as groups of young immigrants wandered by, some chased by soldiers in helmets and camouflage uniforms.

The sea was dotted in shoes left by the thousands of immigrants as they arrived ashore, including a child's pair of Wellington rubber boots. Naval patrol boats were stationed on the horizon, and armored military cars parked nearby.

Still, some shops were beginning to reopen and a sense of order was returning to the territory after nearly two days of chaos. It appeared there were only a few hundred of the immigrants left.

"Almost everyone has now left," Spanish Interior Minister Fernando Grande-Marlaska said. "You can see the difference on the street. Today, many shops are open, and people are walking around. It's not quite back to normal, but it's getting there."

One of those leaving was Jilali Abdelgasem, 31 years old, a trained mechanic. He was put in a line along with dozens of other immigrants and was being escorted to the border by Spanish troops on foot and in Humvees.

Abdelgasem had wanted to try his luck at emigrating for years to get a higher-paying job and even learned basic Spanish. He read about Spain's recent amnesty offer for immigrants already living in the country. In recent days, he saw social-media posts saying Moroccan police weren't stopping immigrants from crossing into Ceuta and decided to take his chances.

He says that when he arrived near the border, there was no one to stop him or thousands of others, so they swam about 2 miles to the enclave, arriving exhausted.

Spanish television on Saturday showed images of armed Moroccan police patrolling the shores and roads on the Moroccan side, trying to prevent any new crossers.

Others were leaving more voluntarily. Aldja, 21, said she and her friend Sofiane read about the mass crossings early Thursday and traveled eight hours to the border and swam across, only to find that shops were closed and there was no access to food or water.

"We thought we were taking a staircase of hope," Sofiane said of a path taken by most immigrants from the beach to the town center. "But it got us nowhere."

Many Ceuta residents were angered and frightened by the mass crossings. There were sporadic reports of residents arming themselves with makeshift weapons to protect their homes or shops. Grande, the Spanish official, said there were isolated incidents but nothing serious.

Early Saturday, Spanish officials said they began installing a makeshift, inflatable barrier that extends out some 500 yards from a breakwater where some of the migrants had swum into the enclave. At least 67 migrants died during the crossings, most from drowning, Spanish officials said.

JORGE GUERRERO/AGENCE FRANCE-PRESSE/GETTY IMAGES

Migrants attempted to enter Spain's North African enclave of Ceuta near the border with Morocco on Friday.

For some locals, the upgrade was too little, too late. Rachid Sbihi, spokesman for the union that represents most of the gendarmerie in Ceuta, said his group had pleaded with federal officials for an extension of the wall for the past decade to no avail.

Sbihi said at least 70 migrants died during the crossings. He added many of the dead were children who couldn't swim and included a toddler.

Many Ceuta residents were angered and frightened by the influx.

Some residents of the enclave said the number of people who came across may have been even higher than the 60,000 estimated by local officials, saying it felt as though there were more new arrivals than the roughly 84,000 people who live here. Many expressed relief that the vast majority had gone after days spent in fear.

"People are relieved that most are gone, but they still want more security to overcome their fear," Arantxa Campos, the head of the local chamber of commerce, told Spanish television. "Not all the businesses are reopened, but more will open as they see security forces who can protect us."

It was unclear how many immigrants would try to dodge authorities and remain in the enclave in the hopes of later making it to the Spanish mainland. One immigrant was seen hiding in a large trash can, while another hid between rocks along the coastline.

A recent Spanish court ruling made it harder for local authorities to summarily expel immigrants who arrive by sea, although it didn't appear that authorities were making that distinction in returning the immigrants.

The scenes of tens of thousands of mostly young men pouring across the frontier went global and caused alarm in many European capitals.

Italy said it would temporarily suspend freedom of movement between its territory and Spain during the crisis to ensure that none of the migrants made their way in.

"This is an extraordinary measure, adopted to safeguard national security and prevent possible repercussions for our Nation," Italian Prime Minister Giorgia Meloni wrote on X.

Right-wing parties in other countries backed Meloni's move and said the European Union's freedom-of-movement agreements that protected visa-free travel for residents—broadly known as the Schengen Agreement—was under threat if abused by migrants to move around the continent.

"Spain has completely failed to protect the external border of the Schengen area from incursions. This cannot continue," Finnish Interior Minister Mari Rantanen wrote on X. "All European countries must support Meloni's proposal. Countries that do not fulfill their obligation to protect the external border cannot be members of Schengen."

Spain's government has taken a less strict approach to immigration than many other European countries. This year, the Spanish government of Prime Minister Pedro Sanchez said it would offer amnesty and legalize an estimated half a million immigrants who had arrived illegally in recent years. That would automatically entitle them to move around Europe.

Some migrants expelled on Saturday said they would return. "I will wait for things to cool down," Abdelgasem said as he was escorted by police back to the border. "Then, in two months, I will try again."

WORLD WATCH

HADI MIZBAN/AP

CROWDED HOUSE OF WORSHIP: Shiite Muslims on Sunday flocked to the holy shrine of Imam Abbas ahead of the Arbaeen festival, in which millions walked to Karbala, Iraq.

GREECE

Copters Fighting Wildfires Collide

Two Greek firefighting helicopters collided in midair Sunday as they were battling a wind-driven wildfire west of Athens, sending one aircraft crashing to the ground. Two crew members, a Greek and a Danish national, died.

The collision laid bare the danger at the most volatile front of Europe's wildfire emergency. Strong winds drove flames deeper into the region of the Greek capital and forced fresh evacuations, France guarded a still-burning scar four times the size of Paris, while Spain's major fires stopped advancing.

The aircraft were Bell helicopters operating over the Psatha area west of Athens, each with a two-person crew.

—Associated Press

INDONESIA

Ferry Blaze Kills At Least Five

A ferry carrying 271 people caught fire off the main island of Java on Sunday, leaving at least five people dead and dozens missing as rescuers and passing vessels evacuated hundreds, officials said.

The Mutiara Sentosa 2 ferry was traveling to Makassar in South Sulawesi from Indonesia's second-largest city of Surabaya in East Java, with 232 passengers and 39 crew members, when the fire broke out between 6 a.m. and 7 a.m. off Sumenep regency, said Indonesia's National Search and Rescue Agency, or Basarnas.

Ferry operator PT Atosim Lampung Pelayaran reported the incident to the Surabaya search-and-rescue office about an hour later, Basarnas said.

—Associated Press

UKRAINE

Drones Set Fire To Warehouse

Ukrainian drone strikes killed at least five people across Russia, also hitting industrial sites and a further warehouse belonging to Russia's e-commerce giant Wildberries, local officials said.

Wildberries, Russia's largest online marketplace, is sometimes described as the country's answer to Amazon. Ukraine has struck over a dozen of the retailer's depots, part of Kyiv's aerial campaign aimed at undermining Moscow's war effort, hurting its economy and making people feel the consequences of the Kremlin's invasion of Ukraine.

Meanwhile, Russia attacked Ukraine with 133 drones, 24 of which hit targets, the Ukrainian air force said.

—Associated Press

Utopian State Falters

KATHY ANNE LIM FOR WSJ

The Network School set up shop at the Forest City development on a nearly deserted artificial island in Malaysia.

Continued from Page One

the school's residents after an Instagram post said the project housed citizens from Israel. Muslim-majority Malaysia doesn't officially recognize that state and requires Israelis to get special permission to enter the country. Authorities said they haven't found wrongdoing.

But last week, the local government ordered the project to shut down over unrelated licensing issues. Within hours, Srinivasan said on social media that he had signed an agreement to open a campus in Kazakhstan.

In a response to questions for this article, Srinivasan wrote on X that the Instagram post was a hoax, and that "we respect Malaysia's sovereignty and are abiding by all Malaysian law."

He said mildew is a common regional issue his team fixes as necessary. People came to the Network School for self-improvement rather than partying, and there were plenty of women, he added. "We are absolutely not simply for the 'tech bro,' but for the tech dad, tech mom, tech family, and tech children," Srinivasan said.

Other tech leaders are trying to carve out independent enclaves. Patri Friedman, a software engineer and grandson of economist Milton Friedman, first tried building floating city-states, and then launched a fund to seed "startup cities." He said investors and advisers include Srinivasan, Peter Thiel and Marc Andreessen.

Srinivasan said the Network School may get its own special economic zone, or "we may build an artificial island from reclaimed land off the shore of a willing country, or we may even accompany Elon to Mars."

Srinivasan, 46, grew up on Long Island the son of Indian immigrant physicians. He once said he was bullied at school as "the only brown kid among hundreds of people"—and then unfairly punished for physically defending himself. "I learned early on that you've got to stand up for yourself, that the fix is in....The state is against you."

After earning engineering degrees at Stanford University, he co-founded a genetic-screening company, worked at venture-capital firm Andreessen Horowitz and was briefly chief technology officer at cryptocurrency exchange Coinbase.

"Balaji is a brilliant guy," Coinbase head Brian Armstrong said in a podcast last year, adding that he brought "an enormous amount of value."

Srinivasan was also "kind of unmanageable," he said. "About once a week, someone would come into my office as CEO and say, 'I can't work with Balaji, and he's causing so much collateral damage.'"

'Mostly good cop'

Srinivasan said on X that he doesn't start conflict for the sake of it. "In general I am mostly good cop and a reluctant bad cop," he said.

Srinivasan believes few countries that predate the internet will survive, and that the U.S. in particular is on the decline, driven by political polarization.

"In like one generation, it becomes at a minimum like Protestant-Catholic or Sunni-Shiite or something like that," he said in a 2022 podcast. Combined with factors including inflation and a heavily armed population, he said "American anarchy, unfortunately, is sort of where we're heading."

Srinivasan says it is better to build new societies from scratch.

In his 2022 book, "The Network State," Srinivasan offered a peaceful alternative, saying it is better to build new societies from scratch.

His playbook: First, people with shared beliefs form an online community. Next, members help each other earn money, pool funds to acquire land and, once big enough, seek recognition as a state.

To test the concept, Srinivasan headed to a nearly deserted artificial island about 100 miles from the equator.

On the southern tip of Malaysia, seaside high rises built for tens of thousands of people sit mostly empty. The development, Forest City, is a symbol of China's real-estate bust.

The area sits across the bridge from the wealthy city-state of Singapore, where Srinivasan said he is now a citizen. Federal records indicate he and his wife renounced U.S. citizenship in 2023.

In 2024, Srinivasan rented space in a hotel and opened the Network School. Part tech incubator, part self-improvement retreat, it started at $1,500 a month for room and board, classes and beachside digs. People could live there or stay for as short as a month. Srinivasan said the first cohort drew 128 people, while the second, in 2025, offered 256 spaces. Recent attendees estimated a few hundred participants at a time.

The idea was for people to come and learn, work on their business, and hit the gym and eat right to gain the strength to build their own utopias elsewhere.

On a recent weekday, about two dozen foreign attendees worked on laptops in the Network School's cafe, which sold health supplements including creatine and collagen peptides.

Current and former residents raved about the sheer convenience and camaraderie with fellow adventurers. Srinivasan's ideology was a draw for Pranit Garg, a 29-year-old digital nomad who moved here in March, but his favorite part was the gym and all-you-can-eat protein.

"Come for the vision," he said. "Stay because you're getting jacked."

The standoff

Before his clash with Malaysian authorities, Srinivasan had said the Network School didn't seek sovereignty and would abide by local laws. The project was just the early steps of a seven-stage process to start new societies, he said.

Then came the passport dispute. In July, an Instagram post by a pro-Palestinian group said the school admitted Israeli citizens, including one who used a second passport. Malaysia requires Israelis to obtain permission before entering.

Immigration officials came to the campus to inspect passports. Srinivasan responded with public fury on social media, likening the Instagram accusation to "swatting"—the hoax of tricking SWAT teams into targeting someone—and demanded a meeting with the prime minister's office.

"Alternatively, if you don't want our investment, or those of our colleagues at billion dollar funds and trillion dollar companies," he wrote, "we will of course respect your wishes, and reallocate our capital to other countries instead."

An official said authorities hadn't found evidence of wrongdoing and the investigation was continuing. But the local government separately ordered the project to cease operations, citing licensing irregularities. Malaysian authorities didn't reply to requests for comment.

A few hours later, Srinivasan posted a video of himself alongside a Kazakhstani deputy prime minister—a former executive at crypto exchange Binance—signing an agreement to open a Network School campus there.

Srinivasan told The Wall Street Journal that several countries offered to house his project. Kazakhstan has been courting foreign companies by setting up special economic zones with no corporate income taxes and easy visas.

"Our new campus will become a haven for global techno-optimism," Srinivasan said on X.

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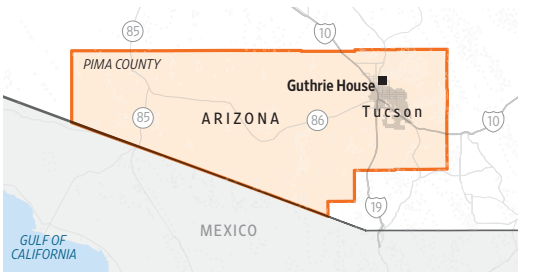

Reporters, news broadcasters, sheriff's deputies and livestreamers gathered at Nancy Guthrie's house in Tucson.

Missteps in Guthrie Kidnap Case

Continued from Page One

her gloved arm made her squeal like the girl she had been during her first visit there in grade school. Savannah crossed town to the University of Arizona, her alma mater, and strode the quad in sunglasses and a sundress, trailed by the marching band playing the school's fight song, "Bear Down, Arizona."

The Guthries had moved to Tucson in the 1970s, drawn by the vast desert landscape, buying the house where Savannah and her older brother and sister were raised. Savannah and her mother joked about the javelinas, the piglike animals that foraged through the family's trash cans at night. Nancy had installed a Nest doorbell camera to keep an eye out for them.

The video tour finished with a Guthrie family tradition, a meal together at downtown Tucson's century-old El Charro Cafe. Savannah sat between her older sister, Annie Guthrie, a writer, and their 83-year-old mother, a retired university administrator. The staff brought the Guthries a round of tequila. Nancy ordered a bottle for Savannah to take home.

Back in the studio, Savannah served tequila to her co-hosts, and Jenna Bush Hager raised her cup. "For Nancy," she said.

Twelve weeks later, Nancy Guthrie was kidnapped from the adobe-brick ranch house where she had lived for a half-century. The Nest camera caught a glimpse of a masked man on the front porch. Police suspect Nancy was taken in her sleep from the same bed she used to demonstrate how to make hospital corners on a "Today" show feature in 2013.

Overnight, Nancy became as famous as her daughter. The Tucson suburb of Catalina Foothills was as overrun with reporters as the Brentwood neighborhood of O.J. Simpson in Los Angeles during his double-murder trial in the mid-1990s, a modern media landmark. Coverage of Nancy's disappearance also drew TV trucks and journalists. Unlike Simpson's case, which ended in acquittals, the kidnapping attracted a new generation of amateur sleuths, livestreaming hours of daily content, conjecture and rumor to hundreds of thousands of online followers.

The world's attention did little to advance the case. Six months after the Feb. 1 kidnapping, a joint federal-local task force is no closer to finding Nancy or her abductors. Frustration over the stalled investigation set off finger-pointing by Federal Bureau of Investigation Director Kash Patel, who had early on promised to lead the charge but has since gone largely silent.

Early trouble

The case had trouble from the start. County sheriff's deputies at first minimized the importance of dried blood found on Nancy's front porch. They failed to seal off the property with police tape to protect sensitive crime-scene evidence, allowing reporters, livestreamers, and Amazon and pizza delivery drivers entry to the porch. Investigators spent precious hours deciding whether Nancy was kidnapped or lost. A search-and-rescue plane sat grounded until dusk, awaiting a deputy trained to operate its sophisticated surveillance system, The Wall Street Journal found.

Pima County Sheriff Chris Nanos in an interview Wednesday disputed those findings. He at points contradicted statements he had made during past news conferences.

"I can assure everybody that we are working hard every day with all of our partners," he said, including "corporate America," which has "offered up some assistance with some of the brightest minds in this country." The sheriff added, "This case is not cold."

The FBI declined to make Patel available for an interview. "The state is the lead in this investigation, has always been the lead," a spokesman said in a statement.

Savannah spent the last show before her mother's abduction promoting the Winter Olympics. She was scheduled to lead NBC's coverage of the Games in Milan and had been packing for the trip when she learned the news. Instead, Savannah took a leave of absence to be in Tucson with her siblings, serving as the family's liaison with authorities.

She returned to "Today" on April 6, determined to solve her mother's abduction by leveraging her TV fame and coast-to-coast reach—the same lofty platform she worried might have drawn the attention of Nancy Guthrie's kidnappers. In a TV interview, Savannah, 54, revealed her fear and sorrow about what she might have risked by showcasing her mother to the wider world.

Was it because of me?

Did I bring them to her bedside?

Missing person

Pima County, Ariz., covers 9,000 square miles of desert. It takes more than three hours to drive from one end to the other. Nearly all its residents, roughly a million, live in and around Tucson. Nancy Guthrie's house is just north of the city limits, in the jurisdiction of the Pima County Sheriff's Department.

The department's first missing-persons call in the case was logged at 12:03 p.m. on Sunday, Feb. 1, according to a timeline provided by authorities. Sheriff's deputies arrived at 5820 North Camino Escalante about 10 minutes later. Such calls are routine in Pima County, a mecca for desert hikers who sometimes get lost—as well as for retirees, some with failing memories who wander from home.

Annie Guthrie, Nancy's middle child, and her husband, Tommaso Cioni, were waiting for deputies. Nancy had been at their house Saturday for dinner and games, days after celebrating her 84th birthday. Annie's husband drove Nancy home and watched the garage door close behind her at 9:50 p.m., the last time she was seen by anyone but her kidnappers.

Annie told the deputies she had gone to check on her mother after a friend called to say that Nancy hadn't arrived for her Sunday visit. Nancy regularly gathered with friends to watch a livestream of the morning service at Good Shepherd New York in Gramercy Park, the church Savannah attended.

Once inside her home, Annie was frightened by what she found—her mother's purse and iPhone, items Nancy always kept close at hand. A back door was left propped open.

Around 2 p.m., the sheriff's department lead supervisor on the scene texted Nanos, alerting him to a missing-person case. Annie and her siblings didn't believe it. Their mother was mentally sharp but physically frail, barely able to walk to the mailbox and back, they told deputies. Annie pointed out that the Nest camera was missing.

"Something is wrong," the supervisor told Nanos in a text minutes later. "We're calling homicide."

The head of homicide, Sgt. David Stivers, was reprimanded two months before Nancy's kidnapping for "poor judgment," blamed for delays securing crime-scene evidence in a homicide case, personnel records from a public-records request show. Charges in the homicide case were dropped for insufficient evidence.

Stivers and his detectives arrived at Nancy's house in the late afternoon. For hours, they gave little regard to the dried blood on the front porch, said people familiar with the investigation. They suspected the blood might have come from some unrelated head bump, nosebleed or other incidental injury, the people said.

Detectives worked to collect evidence, including blood samples. A DNA analysis later confirmed the blood was Nancy's, and it is now believed connected to her kidnapping.

At 4 p.m., sheriff's deputies contacted volunteers to help search the neighborhood. The sheriff's department launched drones. Border Patrol agents went out with search dogs.

Yet, the sheriff's most powerful search-and-rescue tool was delayed for hours—the department's $1.7 million Cessna surveillance aircraft, equipped with both infrared and zoom-lens cameras. The problem was finding a flight deputy to operate the camera systems. The senior pilot assigned the Sunday shift was demoted days earlier to patrol duty, following a workplace complaint.

Flight data show that the plane began its search at around 6:30 p.m. By then, it was getting too dark for its zoom-lens cameras to be of much use.

The next morning, Monday, Feb. 2, Nanos announced he had called off the search. "We do, in fact, have a crime scene," he said.

Despite that, deputies that day failed to seal off the Guthrie property with police crime-scene tape, a standard protocol. Detectives in an electronic message asked neighbors to review their doorbell-camera footage. Yet they asked only for the hours from 7 a.m. to 1 p.m. Sunday. Nancy's pacemaker had stopped sending signals over Bluetooth hours earlier, at 2:28 a.m.

On Monday night, the CBS affiliate in Tucson received an online ransom note on the station's tip line. It began, *Hello Savannah. We have your mother Nancy.* The sender used a masked IP address to render the message untraceable.

'We beg you now to return our mother to us.'

Savannah Guthrie, in a message to her mother's kidnappers

The note had details only a kidnapper would likely know—a white Apple Watch by the bed, a broken floodlight in the backyard. Nancy would be safely returned in exchange for $4 million in bitcoin before 5 p.m. Thursday, Feb. 5, the note said. The ransom would rise to $6 million after that, and the note set a deadline of 5 p.m. Monday, Feb. 9.

The TV station shared the note with sheriff's investigators but didn't disclose it on the air.

At the Guthrie house, as the investigation entered its 48-hour mark, a camera operator for NewsNation—a cable news network—walked along the red-gravel driveway to the front door and recorded a trail of blood on the rust-colored tiles of the front porch. The network's afternoon news update lingered on the halo of dark droplets. An Amazon package sat nearby.

"See right there, see the blood?" reporter Brian Entin said. He spends some 200 days a year covering high-profile cases around the U.S. "In other crimes I've worked," he said, "they'll keep the whole house closed off with crime-scene tape for a week while they're still investigating."

Sheriff's deputies returned to the Guthrie house the next day—Wednesday, Feb. 4—and unspooled a perimeter of yellow tape around the house. They searched the garage and surrounding property. Two hours later, the tape came down.

Savannah, who lost her father to a heart attack when she was 16, posted a video that night and acknowledged reports of a ransom note. "We need to know without a doubt that she is alive and that you have her," she said, reading a statement.

Minutes later, President Trump posted on his Truth Social platform that he had spoken with Savannah and "let her know I am directing ALL Federal Law Enforcement to be at the family's, and Local Law Enforcement's, complete disposal, IMMEDIATELY."

The next morning, Feb. 5, the FBI announced it had moved from a supporting role to a partner in the investigation.

Nanos in a news briefing defended his department's work. "Remember," he said, "it was a search-and-rescue mission the first few hours, and we transitioned that over to a criminal investigation."

On Friday, the family received a second message: *We never intended to hurt her,* it said. *We are truly sorry.*

The following day, Saturday, Feb. 7, Savannah posted a video on Instagram. She sat on a gray couch, gripping hands with her sister and brother. "We received your message and we understand," she said. "We beg you now to return our mother to us, so that we can celebrate with her. This is the only way we will have peace."

By then, the family knew the tragic contents of the second note: Nancy Guthrie wouldn't be found alive.

"*How can someone vanish without a trace,*" Savannah asked herself. "*How?*"

Mystery man

Patel landed in Tucson on Monday, Feb. 9, and left six hours later. The next day, he aired the first break in the case. He tweeted a video that showed an armed man wearing a ski mask and a backpack passing under the brick archway of Nancy's front porch. Patel said the FBI and unnamed private-sector partners had recovered footage captured by the missing Nest camera.

In another Nest video, the man raises a handful of brush to block the camera lens. The chilling images were viewed more than 17 million times on X. Savannah shared the images on social media. "Someone out there recognizes this person," she posted.

Online sleuths quickly picked out a clue. In one of the images, the man wasn't wearing a backpack. They speculated the kidnapper had been at the Guthrie house on an earlier night to check out entries and exits. Authorities said Friday the theory might be correct.

"It was great to be on the ground in Arizona with our FBI team leading the charge," Patel said in an interview on Sean Hannity's Fox News show that night. "I do believe we're looking at people who, as we say, are persons of interest."

While the show aired, Carlos Palazuelos, a 36-year-old DoorDash delivery driver, was taken into custody by sheriff's deputies about an hour south of Tucson. County sheriff's tactical responders wanted to hold off on searching Palazuelos' home, according to people close to the investigation. At the FBI's urging, the county SWAT team went ahead. The search came up empty.

Palazuelos was released at 1 a.m. Authorities never said why they took Palazuelos into custody, other than he was a local delivery man.

On Thursday, Feb. 12, the FBI released a more detailed description of the man in the Nest video: 5-foot-9 to 5-foot-10; average build; wearing a black 25-liter Ozark Trail Hiker Pack backpack exclusive to Walmart. Investigators fanned out to local Walmart stores, scouring surveillance video and receipts but found no suspects.

Trump spoke the next day with reporters about the case. "It was a local case originally and they didn't want to let go of it," the president said. "But ultimately when the FBI got involved, I think you know, progress has been made."

Thousands of tips continued to pour into the joint task force working out of the Tucson FBI office. But neither Nanos nor Patel have announced further breaks in the case. Nanos said Thursday that DNA testing had so far hit a dead end.

Patel, in a May 5 interview with Hannity, criticized Nanos's role in the Guthrie case. He said hundreds of FBI agents were sidelined by the sheriff's department in the critical early stages. "For four days, we were kept out of the investigation," he said. If the FBI had access to the Nest video earlier, he said, "We could have also, maybe, gotten more data."

In an interview, Nanos denied any delays. If Patel "really believes that we tried to block them or keep them out of this or not share things," he said, "I, 100%, want him to call me because that's the furthest from the truth."

Nanos said the two men have never spoken.

Perished

On Feb. 24, Savannah posted a video on Instagram announcing a $1 million reward for information leading to her mother's recovery. "She may already be gone," she said. "If this is what is to be, then we will accept it, but we need to know where she is."

The second ransom note provided the sole clue: "She is buried in nature now."

After spending a month in Tucson following her mother's disappearance, Savannah boarded a flight back to her husband and children in New York. She had come to believe the best place to keep the spotlight on her mother's case—and the investigators in charge—was at the TV anchor desk at Studio 1A, Rockefeller Plaza.

Savannah looked out the airplane window as she passed over the desert expanse, where she feared her mother had been abandoned without ceremony or her family's prayers. She thought, *How could I leave you?*

Savannah made public pleas on Monday and again on Saturday, six months after her mother was taken.

"I'm asking you, begging you, to do the right thing now," she said. "Tell us where to look for her."

Home Soon
Never Alone
Tucson Strong!!!
The desert is calling for Nancy Guthrie's safe return!
Each square on my represents one of your loving children who wants you home.
The 4th one is the entire Tucson community praying for your safe return.
Sending warm prayers
-Mackenzie
Kinda

ASH PONDERS FOR WSJ

A banner with messages about Nancy Guthrie at Tucson's KVOA TV news station.

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◀ Defense Secretary Pete Hegseth has called for mandatory testosterone tests for servicemembers.

Testing for Testosterone: Who Needs It and Who Doesn't

As Defense Department plans screenings for troops, doctors say most healthy men can skip it

YOUR HEALTH

SUMATHI REDDY

A new plan to conduct testosterone screenings for all U.S. troops 30 years and older has raised many questions among the general population.

Defense Secretary Pete Hegseth is calling for mandatory annual tests to see if men are deficient in the sex hormone and if they want to receive testosterone therapy.

No major medical society recommends routine testosterone screening of healthy men. Just about everything about testosterone is controversial, from how to define a deficiency, to what level supplementation should reach, to the potential risks of therapy.

Here's what we know.

What's a normal level?

Testosterone is the main male sex hormone, though women, too, have testosterone at lower levels.

The normal distribution of testosterone levels in men is wide-ranging, from a low of 264 nanograms per deciliter of blood to 914, says Dr. Shalender Bhasin, a professor of medicine at Harvard Medical School who has studied testosterone for 40 years. Testosterone is released in bursts roughly every 90 to 120 minutes, says Bhasin.

So levels can vary by as much as 15% to 20% during one day, says Dr. Brad Anawalt, an endocrinologist and professor of medicine at the University of Washington Medical Center in Seattle. That's why levels should be tested when they peak, which is in the morning between 7 a.m. and 10 a.m.

Testosterone levels can be lower from illness, significant trauma, or even chronic poor sleep from conditions like sleep apnea. "It's always important to measure these testosterone concentrations when you're in your usual state of good health," says Anawalt.

Effects of aging

Not as much as many think.

Testosterone levels typically peak in your 20s or 30s and then decline by about 1% a year. Men who are healthy and lean typically don't have these drops.

"Most of the effects of aging are related to weight gain and obesity," says Anawalt.

Testosterone levels become affected when men gain more than 5% of their body weight or when their Body Mass Index (BMI) starts creeping up past 25 and certainly over 30, he says.

For a small percentage of men over age 70, testosterone levels may drop below the normal lower limit due to aging, says Anawalt.

Other factors

Chronic diseases related to obesity such as Type 2 diabetes can also result in lower testosterone levels.

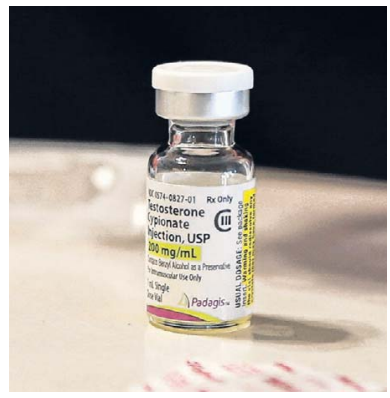
Many medications can also lower levels, including opioids, anabolic steroids, and glucosteroids, used to treat many inflammatory conditions, as well as treatments like chemotherapy. Health conditions like pituitary-gland issues and genetic disorders such as Klinefelter syndrome can also result in testosterone deficiency.

Physiological stress, such as consistent sleep deprivation from sleep apnea, not eating enough calories, or excessive exercise can result in a low testosterone.

The risks

In addition to a lower sex drive, having testosterone deficiency can lead to decreased bone density and muscle mass, as well as a decrease in the amount of red blood cells you produce.

Roughly 2% to 7% of men over the age of 35 have testosterone deficiency. The majority of those men are obese; fewer than 1% have an underlying disease or medical condition that results in lower than normal testosterone levels.



▲ A vial of testosterone being prepared for injection.

How to measure

Levels are measured by a simple blood test. But they aren't typically checked in annual wellness exams unless requested. And no professional doctor's association recommends widespread screening in the general population.

Is therapy a must for low levels? Not necessarily. Doctors are clear that treatment is only needed if your levels are low and you experience symptoms such as low libido, low energy and mood, and loss of muscle mass or bone.

Bhasin says certain at-risk subsets of the population should be screened, such as people with chronic kidney disease on dialysis, men who have been treated with chemotherapy, or have chronic liver disease. Others include men with sexual dysfunction, infertility or breast enlargement.

Testosterone therapy

Testosterone therapy can be delivered through the application of a daily gel, weekly home injections, twice-a-day pills or an implanted pellet.

The main risk is the potential for infertility due to a lower sperm count, says Dr. Adrian Sandra Dobs, professor of medicine and oncology at the Johns Hopkins University School of Medicine. Once a man stops the therapy, it can take months for the sperm count to be restored.

"Do you really want to start giving testosterone to young men in the peak of their reproductive years which might result in a drop in sperm count and their own production of testosterone?" she says.

Another potential side effect is an increase in the number of red blood cells. This can make the blood thicker and raise the risk of blood clots, strokes and heart attacks.

When to screen

Depends on how you define it and whom you ask.

Even though the American Urological Association guidelines don't recommend annual screenings, they support the administration's move to screen troops for testosterone deficiency, noting that having a baseline value even in the absence of symptoms can be helpful. The Endocrine Society, on the other hand, doesn't advocate screenings for all troops.

Anawalt says screening large populations of adult men for testosterone levels will result in a lot of false positives. Therefore, it's best to only screen men with symptoms.

But Dr. Helen Bernie, an associate professor of urology at Indiana University and a spokesperson for the AUA, says testosterone deficiency is often underdiagnosed. Even if a man doesn't have symptoms, just knowing they have low testosterone can be a red flag since it's associated with higher rates of obesity and other chronic health conditions. "Low testosterone in itself can be an early biomarker for man's overall health," says Bernie. "This could be a warning sign of other underlying conditions that we can actually treat."

FROM TOP: STEFANI REYNOLDS/BLOOMBERG NEWS; LAURA BARGFELD/AP

One-Income Couple Wants to Buy a Home

By Demetria Gallegos

Joseph and Alana Shir want to be homeowners. The question is, when is the right time to make that move? The couple, both in their early 30s, have been living with Alana's mother near Fort Lauderdale, Fla., for the past three years. They know they are fortunate, living in a nicer area than they could afford on one income.

Joseph Shir works as an analyst for the federal government, making about $112,000 a year. He also earns about $10,000 teaching a course online. Alana Shir is home full time with their 1-year-old daughter, Jessa. The couple hopes to have another child at some point.

A good rule of thumb is to save about 25% of income after taxes.

The Shirs don't know exactly where they would like to live, what they can afford and when to take that step, especially with housing costs being so high. And while they are short on space in their current living situation, they are reluctant to leave it.

"It's been great to have three generations in one house," says Joseph Shir.

The Shirs pay $2,600 a month on average for household-related expenses, covering a portion of homeowners insurance and property taxes, the HOA bill, utilities, lawn care and other services and repairs.

Other monthly expenses include $600 for a car lease, gas and insurance; $1,500 for groceries; and about $200 on eating out and social outings. He has a student loan with a balance of $21,000 at 4.4% interest, which has been in forbearance. Their health insurance through Joseph's work costs about $450 a month.

The remainder of their budget is dedicated to savings, with a portfolio of assets totaling more than $776,000. He contributes 12% of his salary to a thrift savings plan through his employer that currently holds $98,000. He contributes $570 monthly to a Roth IRA worth about $40,000 and $200 to an investment account totaling $154,000. She has an investment account with more than $268,000, as well as a Roth IRA worth $134,000 from her years of working in sales. An inherited IRA, which she will have to cash out by next year, has $35,000.

▲ Alana and Joseph Shir have been contributing aggressively to their investment and retirement accounts.

They add about $200 a month to a 529 college-savings account for their daughter worth about $21,500 and to which family members also contribute. The couple also has a money-market account with about $20,000, which they treat as an emergency fund.

He has a $1.5 million life-insurance policy, which costs him $140 quarterly. She doesn't have life insurance.

While the couple has been focused on saving, they also are trying to stay in the present and have fun as a young family. "We want to make sure our daughter has a great childhood while we are getting money in all of those baskets," says Alana Shir.

Advice from a pro

The Shirs have done a good job keeping expenses low and managing to save aggressively on a limited income, says Matt Parenti, a certified financial planner and managing director of Hightower Signature Wealth in Chicago.

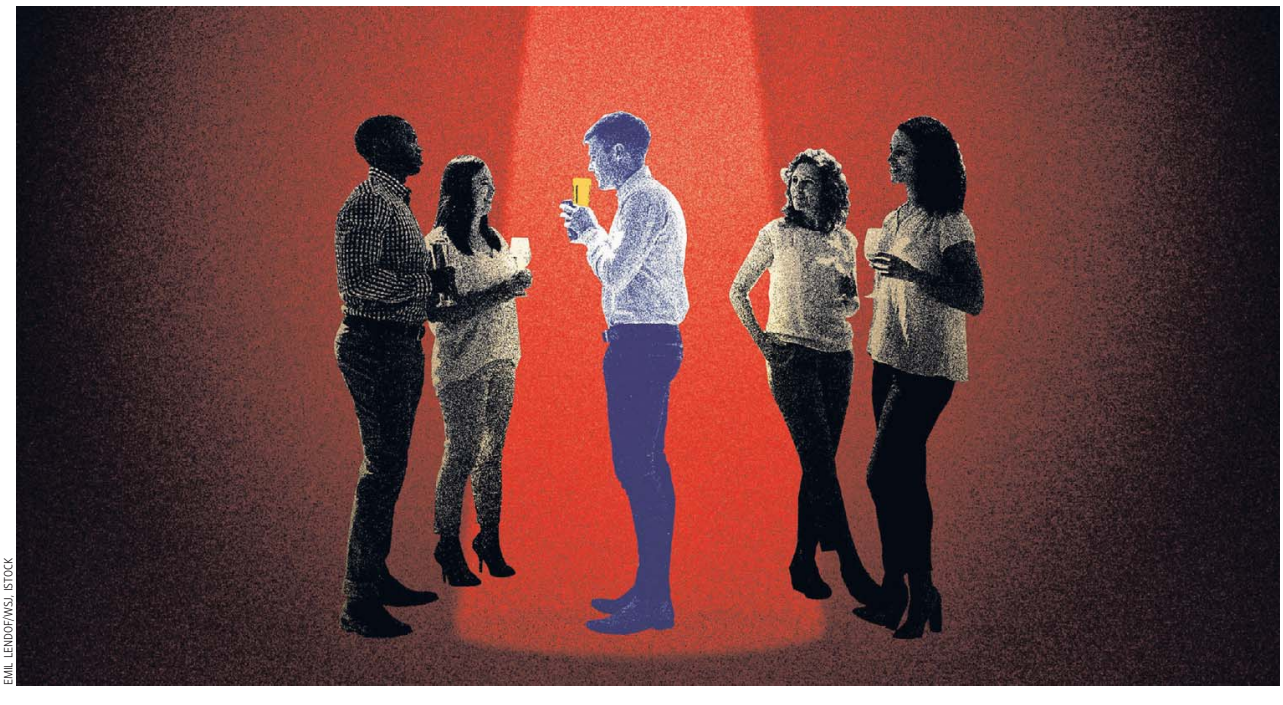
But they need to do some defensive planning, he says, such as buying disability insurance in case anything happens to Joseph Shir that affects his ability to earn. He also suggests they boost their emergency fund to $50,000. And he would like to see a life-insurance policy of at least $250,000 for Alana Shir.

Parenti says a good rule of thumb is to save about 25% of income after taxes. This couple is at about 40%, he says. He recommends that their retirement savings be allocated to Roth-style accounts because Roths are funded with after-tax dollars and the Shirs are in a relatively low income bracket.

Once those issues are addressed he believes they will be well-situated to become homeowners, even in the current environment. He says they could comfortably handle a home in the $420,000 to $440,000 range, assuming a down payment of $150,000 and a 30-year mortgage rate of 6.5%. They could then refinance in the future, he says.

Parenti advises potential homeowners looking to buy within the next one to two years to build and keep down-payment funds in cash-equivalent accounts such as money markets, CDs and high-yield savings accounts. If the timeline is more like three to four years, down-payment funds could be invested in short- to medium-term bonds, he says. Beyond that, some of the money could be invested in the stock market.

JOSEPH AND ALANA SHIR



EMIL LENDOF/WSJ, ISTOCK

ON THE CLOCK
CALLUM BORCHERS

Wild Netflix Lawsuit Offers Career Lessons

Case shows the 'bring your whole self to work' mantra has its limits

Can you chug a beer while doing a headstand? If you can, I'm kind of impressed. But please don't perform a frat-house party trick in front of co-workers.

A wrongful-termination lawsuit brought by a former **Netflix** vice president features this and other ill-advised stunts and conversations that belong in a what-not-to-do manual. Kevin Baillie says he was fired as the streaming giant's head of studios after an executive retreat where he talked openly about taking ketamine to treat depression, then drank a pint of Guinness while standing on his head.

He contends the retreat centered on vulnerability and trust, so it was unfair for Netflix to hold his unfiltered behavior against him. At minimum, Baillie argues, he should have received $825,000 to $1.1 million in severance pay, based on company precedent.

Maybe you don't need me to tell you that upside-down stout guzzling and rhapsodizing about drug use are bad ideas when you're with colleagues. But to fixate on the juicy details of this wild workplace lawsuit is to miss the point, especially when we have only one side of the story. Netflix declined to comment.

Let's consider a few big-picture career lessons we can all take away from this case.

Don't overshare

Call me a broken record, but I have cautioned before that the movement to "bring your whole self to work" is a minefield. It is easy to overshare when you're trying to break taboos.

This applies to discussions about mental health, which have become more common—and accepted—in workplaces in recent years. It's one thing to share the broad contours of a personal struggle, so others don't feel alone. It's another to reveal a psychedelic-like treatment strategy that remains on the fringe of social acceptability.

Plenty of workplaces could use more empathy, but we don't have to spill everything—and often shouldn't.

Baillie's complaint against Netflix says he first disclosed during a job interview that he underwent three rounds of medically supervised ketamine therapy to treat depression after the death of his mother. At a retreat more than a year later, he talked about this experience again after, not during, a session "designed to elicit candor and personal disclosure," according to the suit.

When sharing time is over, that's your cue to stop.

Letting guard down

Baillie says he learned the inverted beer-drinking stunt from his ex-father-in-law, who sounds super cool and nonjudgmental. Don't assume your boss, peers or direct reports are the same.

The retreat at the center of the lawsuit took place at a company-owned ranch near Lake Tahoe with a well-stocked open bar, according to court filings. In such a setting, and perhaps especially in the entertainment industry, it could be tempting to feel like you were on a family vacation and let your guard down accordingly.

But corporate life is still corporate, even in artistic professions that give creative geniuses some leeway for antics. A lot of us have worked for employers that try to create family or party-like atmospheres in one way or another. We shouldn't fall for it. The reality is companies aren't in the business of unconditional love.

Or handshake agreements, for that matter.

Get it in writing

One key takeaway from Baillie's lawsuit against Netflix has nothing to do with drugs or alcohol.

His employment contract didn't spell out what he would be owed if he were terminated, according to the suit. The complaint states that Baillie relied on the word of an "interim" executive who "promised substantial severance protection and represented that it did not need to appear in Plaintiff's contract because it was a generally applicable company practice."

Nine to 12 months' pay was standard, Baillie says he was told. This is the basis of his contention that he is entitled to a severance payout between $825,000 and $1.1 million.

I can't vouch for his math or version of events, but the principle is the important thing. It is always risky to rely on an oral agreement for matters as weighty as salary and severance, and even more so when the person you're dealing with might not be in a position to honor it in the future. "Everybody's excited in the beginning of a relationship, but you always have to plan for what's going to happen at the end," says labor attorney Kathlyn Perez, who isn't involved in the case.

There is plenty we don't know, and may never find out, about Baillie's separation from Netflix. (He declined to comment further.) But I'll bet you a pint of Guinness that getting a little more in writing, and sharing a little less out loud at work, would serve us all well.

Parents Co-Pilot Kids' Jobs

LYNNE ALBA

AMBER LITTLE

Lynne Alba, left, and Amber Little urge parents to step back from their kids' careers.

Continued from Page One

hiring managers, applying for jobs on their adult child's behalf, and even showing up—or lurking just off-screen—on Zoom calls to help navigate difficult conversations or go over benefits packages.

"The first time it happened, I was appalled," says Clark, who has fielded calls from parents asking why their child didn't get a job. "Since then it's become more of a here-we-go-again reaction."

Human resource professionals have expressed outrage on social media.

"Parents should not be calling employers to check on their application status or ask questions on behalf of their child," says Lynne Alba, a director of talent acquisition and physician recruitment at a large health system on Long Island, who vented about the phenomenon in a Tik Tok video she reposted on LinkedIn.

At a recent job fair, a mother approached Alba with her daughter's résumé, explaining that she wanted to work as a nurse. "While I appreciated that she was trying to help, I intentionally shifted my attention to her daughter. No matter what Mom said, I wanted to hear directly from the candidate," says Alba.

Some parents who step in say it's a challenging job market for young people, and that they would only intervene in extreme circumstances—social anxiety, a toxic boss, unfair treatment. There's also a gray area of intervention that some see as an extension of the parental advice and networking help that's been happening for generations.

Rick Wainschel last year published a post on LinkedIn asking his network to help his daughter, a recent college graduate, find a corporate entry-level position.

Wainschel, a vice president at an automotive marketing technology company, says he doesn't think his outreach qualifies as helicoptering. "Well, maybe a little," he said, before quickly adding he was being half tongue-in-cheek. "It was really merely just to help her get a network established. I just think the work world is a challenging place."

Wainschel's post, which was OK'd by his daughter on the condition he didn't embarrass her, didn't lead to a job but did result in productive conversations, he said. She found a job with a credit union on her own shortly after.

Recruiters and other HR types say aggressive parental involvement signals a lack of independence and raises fears that mom and dad will be checking in regularly if their kid gets hired.

What's more, they say, such interference rarely, if ever, works.

The phenomenon is becoming so commonplace it made the agenda of human resources organization SHRM's national conference in June. When James Harrell asked a room of 250 professionals if they ever had a parent calling on behalf of a young employee or coming to an interview, more than half raised their hands.

"The first time it happened to me, I got high up on my soapbox and I shook my fist," Harrell says. "The 15th time I said, 'OK, well, I gotta figure out how to do something differently.'"

Harrell helped run an apprenticeship program for high-school students while he was the human capital management chief for the San Antonio Independent School District. To run interference, the district introduced a "signing day" when parents could come and ask questions.

After a Gen Z employee at Nation's Best Holdings, a chain of hardware and home goods stores, didn't get an "exceeds expectations" designation on his performance review last year, HR chief Amber Little got a call asking why.

It was one of a number of calls from parents her office has picked up recently about issues ranging from negative feedback to understanding which health insurance plan to choose. Little has even noticed parents are now calling in sick for their adult kids.

"Instead of coaching them, they do it for them," Little says. When it happens, she adds, "we encourage them to tell their child to come talk to us and we will walk them through it."

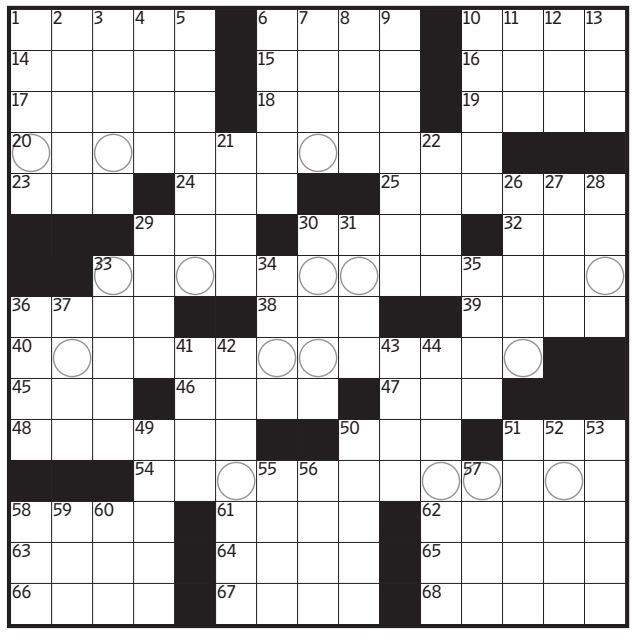
A Zety survey of more than 1,000 Gen Zers found 20% had a parent attend a job interview with them.

"You get a sense it's all hands on deck for some families," says Keith Wolf, managing partner of recruiting firm Murray Resources in Houston. His office has received emails from parents seeking jobs for their children, and Wolf says he's wondered if the kids knew.

Paul "PB" Branson, who graduated from the University of Missouri-Columbia in May, bristles. The 22-year-old says while he understands their anxiety, parents shouldn't be joining their children's job interviews or contacting employees on their behalf.

"That trend," he says, "has really hurt my generation by creating this kind of stereotype that we need our hands held."

The WSJ Daily Crossword | Edited by Mike Shenk



FOR A SONG | By Mike Shenk

Across

1 Spot for a castaway
6 Salami seller
10 Healthy salad green
14 Starts the bidding
15 Sharif of "Doctor Zhivago"
16 Yoked animals
17 Pricey Japanese beef
18 The Flintstones' pet
19 Clarinet part
20 "Yes, And?" singer
23 Pickleball court sight
24 Pint in a pub
25 Two-point throw in horseshoes
29 Moody rock genre
30 Sewing line
32 Egg cells
33 "Little Bit of Love" singer
36 Field unit
38 Fleming who created James Bond
39 Galley tools
40 "Stupid Girl" singer
45 Snaky fish
46 "Make it snappy!" letters
47 Play division
48 Largest federation of unions in the U.S.
50 Fragrant conifer
51 Attorney's org.
54 "All I Know" singer
58 Popular swab
61 Otherwise
62 Idaho's capital
63 Use a 33-Down
64 Brownish red
65 Bury
66 Walk of Fame symbol
67 Longings
68 "Keen!"

Down

1 Hawkeye
2 Tire in the trunk
3 For real, informally
4 One-named Irish singer
5 Destructive wave
6 Steer clear of
7 Dubai leader
8 Turner of Hollywood
9 Rule without exceptions
10 Seoul's peninsula
11 Woodsman's tool
12 Director Spike
13 Terminate
21 Sleep like ___
22 Moore of "G.I. Jane"
26 Pitcher Ryan
27 At any time
28 Tampa baseballers
29 Water pitcher
30 Envelope stick-on
31 Sicilian peak
33 Shop tool
34 "Howdy!"
35 Robber's haul
36 Cruising
37 Restaurant VIP
41 Hibernation spot
42 Mysterious lore
43 Ingenuous person
44 Wash before surgery
49 Bank heist, for example
50 Worries
51 Japanese dog
52 Persistently trouble
53 Oldsmobile's last model
55 Model-making need
56 Org.'s kin
57 Minimal amount
58 NFL passers
59 Young one
60 Nest egg option, for short

▶ Solve this puzzle online and discuss it at **WSJ.com/Puzzles.**

Previous Puzzle's Solution

■	D	E	A	F	■	■	B	A	L	I	■	P	T	S
P	R	A	D	A	■	S	I	R	E	N	■	A	W	E
J	A	S	O	N	V	A	R	G	A	S	■	B	E	E
S	T	Y	■	B	I	G	D	O	■	O	I	L	E	R
■	■	A	P	O	P	■	■	■	A	L	L	O	T	S
C	A	S	E	Y	S	T	E	N	G	E	L	■	■	■
O	R	A	L	S	■	I	C	E	E	S	■	W	A	G
D	E	B	T	■	O	B	O	E	S	■	M	O	L	E
S	A	C	■	B	L	E	N	D	■	T	A	R	O	T
■	■	■	P	E	D	R	O	A	L	V	A	R	E	Z
R	U	M	B	L	E	■	■	■	O	H	M	Y	■	■
A	V	A	S	T	■	P	A	T	I	O	■	W	O	W
N	U	T	■	W	A	R	R	E	N	S	P	A	H	N
O	L	E	■	A	L	I	E	N	■	T	H	R	O	W
N	A	Y	■	Y	A	M	S	■	■	S	I	T	S	■

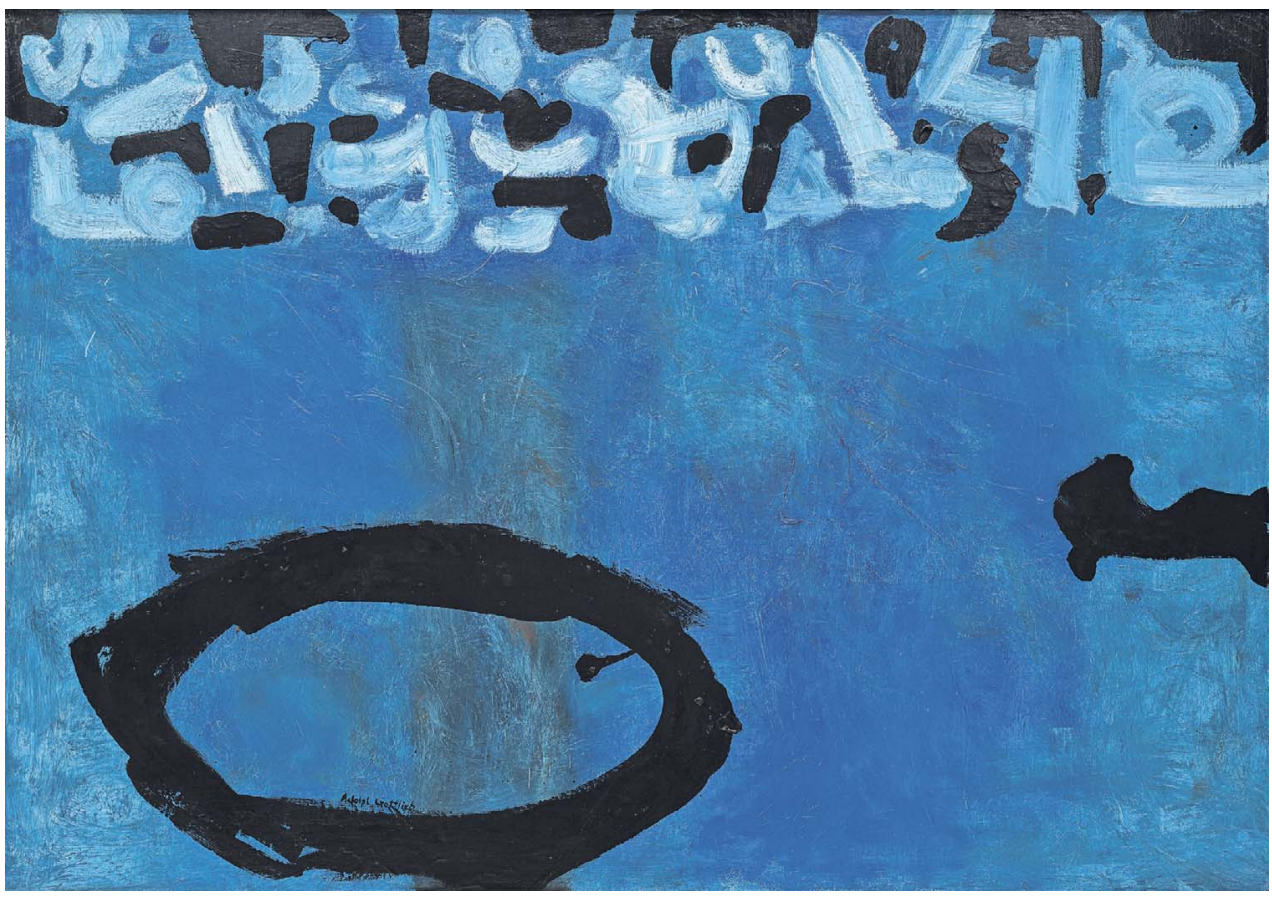
The contest answer is **BABE RUTH**. As suggested by the "Double-Header" title, take the first two letters of both the first and last names of the theme answers to make four-letter words that fit clues for other answers (JAVA/**BA**LI, CAST/**TH**ROW, PEAL/**RU**MBLE, WASP/**BE**E). Taking the first two letters of each of those other answers in grid order spells the contest answer.

ARTS IN REVIEW

ART REVIEW

Illuminating an Unlikely Kinship

Milton Avery, Adolph Gottlieb and Mark Rothko forged a connection during their shared summers in Gloucester, Mass.



Gottlieb's 'Blue at Night' (1957), left, and Avery's 'Black Sea' (1959), below left

By Judith H. Dobrzynski

Gloucester, Mass.

In the 1930s and '40s, three friends—all artists, one almost a generation older than the others—spent their summers here, sketching and painting the picturesque environs of America's oldest continuously operating seaport. They are known for very different styles: Milton Avery (1885-1965) for his colorful, flat, figurative scenes; Adolph Gottlieb (1903-1974) for his abstractions, especially those featuring a sun-like orb over a burst of color; Mark Rothko (1903-1970) for his color-block paintings evoking emotion, not image.

Even serious art-lovers might fail to see links among them. Yet as "Avery, Gottlieb & Rothko: By the Sea" at the Cape Ann Museum reveals, their friendships, their summers and their mutual admiration critically influenced their artistic paths. By the time visitors reach the exhibition's last gallery in this newly renovated museum, which reopened June 30 after a 20-month upgrade, they can't help but observe the connections.

Credit for this surprising exhibit goes to Eliza Rathbone, chief curator emerita at the Phillips Collection in Washington—which has long associations with all three artists—who decided to bring to light a story that to some had been known, but never truly shown. She dug into troves of paintings and drawings, some owned by family members, and chose more than 80, many of which have never been displayed in public, that make the point.

The exhibition, which runs through Sept. 27 and then moves to the Phillips, follows both a chronological and thematic path. It starts soon after Avery initially arrived in Gloucester for the summer of 1921. His "Gloucester Dawn" (c. 1921) and "Untitled (Harbor Scene)" (c. 1921-25) exhibit impressionistic tendencies, perhaps inspired by Monet. By the end of the decade, though, he'd shifted to flatter, less brushy scenes.

Later that decade, Avery befriended Rothko and then Gottlieb, and by 1932 all three were summering in Gloucester, spending their mornings sketching or painting the harbor, the wharfs, the sea, the beach and the bathers. In the evenings, they discussed their work, with Avery as mentor at first.

The show highlights overlooked creative exchanges.

Judging by a wall of Avery's 1930s beach scenes—lighthearted sketches and watercolors of people enjoying the ocean, with one even called "Untitled (Lazy Afternoon)"—he clearly moved to a more modern mode, deploying loose lines and bright colors.

Rothko, meanwhile, also painted bathers—a little clumsily, like Cezanne's. He also created several small, realistic earth-toned scenes of the town, such as "Untitled (Wharf, Gloucester, Massachusetts)," from 1934, which portrays fish processing on the waterfront. Gottlieb seems even more drawn to the industrial aspects of the port.

His "Harbor Scene Gloucester?" (c. 1934); "Rockport" (c. 1936), made in the less gritty town up the Cape; and "Wharf in Gloucester" (undated) look almost somber. Rather than people, his focus is on shells and other sea detritus, which he arranged in discarded crates.

These crate paintings lay groundwork for Gottlieb's pictograph series, which would become a signature for him. In "Mariner's Incantation" (1945), for example, he placed simplified images of fish, faces, a hand and nautical symbols in a blue-green grid—a step toward abstraction that blends in Surrealism. Rothko also begins to flirt with Surrealism—which becomes more pronounced in his output as the tragedies of World War II unfolded. His works here, like "Iphigenia and the Sea/Horizontal Phantasy" (1943) and "Abstract Composition" (1944), place the sea as a backdrop for his musings on myth and the unconscious. Such overt connections with Gloucester would soon fade.

Already established by the 1940s, Avery's work grows simpler, more expansive, flatter and with larger color blocks, but his images remain tethered to the real world. In "Lone Rock and Surf" (1945), he provides only the essential elements of a scene—frothy white waves crashing against a black rock, with a stripe of pink for the sky. Edging toward abstraction, his "George Constant Fishing" (1945) also strips the image down to its necessities. Constant, standing on a striped rock, consists of two color patches; the rest is largely blue sea, topped by a light-gray strip of sky.

Everything comes together in the final gallery, where each artist commands a wall of paintings. The links, often subtle, seem intuitively clear. Avery once said he wanted to create big works "like the Abstract boys"—and he has. "Sea Grasses and Blue Sea" (1958), at 5 feet across, presents two triangular blocks of different blues, one daubed with black, beneath a turquoise strip of sky. "Black Sea" (1959), at more than 5 1/2 feet wide, shows an expanse of peach sand, bubbling white water and a sliver of deep-sea black. A small work, "Moon Lit Sea" (1959), floats a greenish sphere over its orange reflection in a black background—shades of both Gottlieb and Rothko.

On Rothko's wall, "No. 14 (Horizontals, White Over Darks)," from 1961, might be a darker version of "Black Sea," while "No. 20" (1949) picks up the architecture of Gottlieb's crate paintings and pictographs. And suddenly Gottlieb's "Under and Over" (1959), a quintessential burst painting with a glowing red orb over black splotches, reads like some of Rothko's dark color-block works. Gottlieb's bright "Blue at Night" (1957) imagines a seascape.

All three men are now intently focused on color and simple forms, an interest developed, refined and tailored to their own visions in Gloucester, a place that affected the rest of their careers and a period of American art.

Avery, Gottlieb & Rothko: By the Sea
Cape Ann Museum, through Sept. 27

Ms. Dobrzynski writes about art for the Journal and other publications.

Rothko's 'Untitled (Bathers on the Beach)' (1934), below, and 'No. 20' 1949., right.

CAPE ANN MUSEUM (4)

OPINION

Does AI Have a Fiduciary Duty?

INSIDE VIEW
By Andy Kessler

How will we regulate artificial intelligence? OpenAI's Sam Altman wants a global AI regulator much like the International Atomic Energy Agency. Google's Demis Hassabis likes the Financial Industry Regulatory Authority model. Anthropic's Dario Amodei prefers agency testing like the Federal Aviation Administration. See the thread? Big government, big agencies, a lobbyists' paradise. University of Tennessee law professor and Instapundit blogger Glenn Reynolds thinks the answer may be plaintiffs' lawyers. Wait, what?

In February 2024, 14-year-old Sewell Setzer III committed suicide after a virtual relationship with a chatbot named Daenerys on Character.ai. His mother filed a wrongful-death lawsuit against the company and Google that October.

The defense claimed that output from chatbots is speech protected by the First Amendment. Not a bad argument. In *Brown v. Entertainment Merchants Association* (2011), the Supreme Court ruled that "video games communicate ideas" and are protected speech. But AI mimics humans, and a child did commit suicide. This January Google settled the Setzer case. The company couldn't afford to lose and risk the loss of AI's speech protection. Can we control AI if its output is protected speech?

In his recent book, "Seductive AI," Mr. Reynolds makes a great argument for chatbot regulation: "AI personalities and their owners should be subjected to fiduciary duty when they interact with users." Fiduciary means a legal responsibility to act in someone else's best interests and not for your own profit.

Why not a fiduciary duty for all AI? My years on Wall Street pounded into my head the power and simplicity of fiduciary responsibility. A 2025 OpenAI study noted 28% of AI use is for "practical guidance." Now, according to MIT's Sloan School of Management, more than half of U.S. and U.K. adults have asked AI for financial advice. A March study from Stanford reveals (not quite breaking news) that large language models are overly sycophantic, flattering people-pleasers, likely to help drive AI engagement. Not very fiduciary!

I spoke with Mr. Reynolds about how to enable a fiduciary wrapper. He said that if AI "purports to have a relationship of trust with you—legal advice, psychotherapy, investment advice or whatever—it should have to be treated as if it was a person doing that. Most learned professions have essentially a fiduciary relationship with their clients."

There is a long history of technology cutting corners. eBay outsourced trust to its customers. Social media ignored property rights and sold ads right next to our posts. Is it happening again? Palantir CEO Alex Karp went on CNBC complaining that "the basic view among enterprises in this country is 'I'm going to chillax, waste my time with tokens, I'm going to get no value and they're going to get my IP.' " Meaning AI companies are harvesting customers' intellectual property. Also not very fiduciary. Anthropic has new business lines like Claude Legal and Claude Security competing with their own customers. This may drive some to cheaper Chinese open-source AI models—not healthy either.

How to regulate the new technology? The answer may lie in the common law.

How do we make AI fiduciary the law? Mr. Reynolds suggests legislation or even Federal Trade Commission regulation: "But the more likely way to go, honestly, is the common-law method. Fiduciary rules are mostly a common-law creation. We could easily imagine a court saying, 'Look, you're giving tens of thousands of people advice about their love lives or whatever, and if you've got a hidden agenda that's designed to advance some corporate goal—which you will—that's a breach of fiduciary duty.' That's something you could easily imagine a court doing in the right case, and the right case will come." Burning tokens is clearly one of those corporate goals.

With fiduciary responsibility, Mr. Reynolds says, "I think a lot of hidden agendas go away. Advice has to be in the client's best interest, not motivated by a desire to run up the bill."

Won't politics interfere? "The thing I like about plaintiffs' lawyers as enforcers is, unlike a government agency which is subject to capture politically, they're a distributed force, and mostly driven by the desire to walk away with big fat payoffs," says Mr. Reynolds. Sad but true.

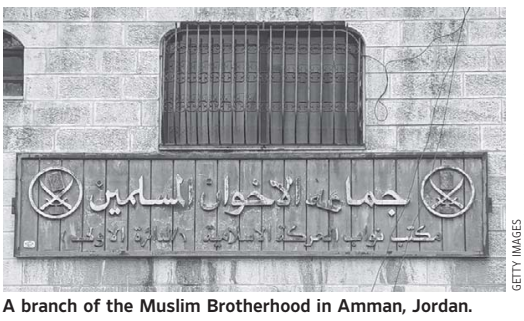
It's starting. In March, OpenAI was sued by Nippon Life Insurance for practicing law without a license. Last month OpenAI was sued for the "unauthorized practice of medicine" by a Florida pastor seeking advice for a pulmonary embolism. AI output is different from Google searches. Or influencer videos.

I'm no fan of trial lawyers but, like it or not, OpenAI, Anthropic, Google, xAI, Meta and perhaps every Chinese open-weight AI model may already be covered by common-law fiduciary responsibility. We're a few court cases away from finding out. They need to start acting that way or their trillion-dollar valuations may become a target much larger than the tobacco companies in the 1990s.

Write to kessler@wsj.com.

The Islamist Threat Isn't Only Terrorism

By Lorenzo Vidino



A branch of the Muslim Brotherhood in Amman, Jordan. GETTY IMAGES

The Trump administration has shown a strong commitment to combating political Islam, a clear break from previous administrations. For years, Washington has neglected the Islamist threat by using a divided and simplistic approach. Since 9/11, resources have been allocated to pursuing groups designated as terrorists, like ISIS and al Qaeda. Islamist organizations that adopted mostly nonviolent tactics and weren't formally blacklisted—like the Muslim Brotherhood—fell under no agency's remit and were largely ignored.

Groups try to push their agenda through politics, schools and grassroots activism.

This security-based view of Islamism misses the mark. The challenge is more complex than a terrorism threat. In both the Middle East and the Western world, political Islam—with the Muslim Brotherhood its main proponent—operates in many arenas, including politics, education and grassroots activism.

Washington's European partners have long known this. Several European governments have correctly analyzed the societal challenge posed by Islamism. In 2014 Britain's Prime Minister David Cameron ordered a government review of the Muslim Brotherhood, a yearlong effort that included Britain's security services as well as agencies focused on education, integration and communications.

The French government took the same approach. The report it released last year concluded that "the reality of this threat, even if it is long term and does not involve violent action, poses a risk of damage to the fabric of society and republican institutions."

Germany's security services have written in their annual reports that "legalistic Islamist groups"—a term Berlin uses for organizations like the Brotherhood that don't directly engage in violence—"represent an especial threat to the internal cohesion of our society," and that their endeavors "run counter to the efforts undertaken by the federal administration . . . to integrate immigrants."

These European countries haven't designated the Muslim Brotherhood a terrorist organization, but they have a clear-eyed view of the threats the group and its fellow travelers pose.

The Trump administration this year designated as terrorist organizations four branches of the Muslim Brotherhood—in Egypt, Jordan, Lebanon and Sudan—which the U.S. concluded have engaged in direct violence. This marks a break from the past and a first for the West.

Even if properly implemented, these terrorism designations won't magically defeat Islamism. A first step in that direction is a drastic philosophical shift in how the U.S. government and American public understand the challenges posed by political Islam and how it exists on many fronts.

This begins with correcting the dearth of knowledge inside the Federal Bureau of Investigation and other U.S. government agencies about the Brotherhood and Islamism in general. Save for the years immediately after Sept. 11, 2001, there has been no concerted effort within U.S. law-enforcement and policy communities to acquire a deep institutional understanding of Islamist networks worldwide.

A particular lack of understanding exists on how Islamists are using the American political and educational systems to advance their aims—dynamics that have become apparent in the past few years. While some of these dynamics aren't, fortunately, as advanced as in European countries, there's no question that Islamist actors are funding politically aligned candidates in U.S. elections nationwide. By the same token, recent inquiries have uncovered how foreign governments, including Qatar, are funding American universities with the aim of influencing how the Middle East is taught, often through an Islamist lens.

Filling the knowledge gap in these areas is crucial if the Trump administration wants to combat Islamism. That means engaging diverse audiences at the national and local levels. The engagement should include FBI field offices, which need to be reoriented to include Islamism as one of their targets; local educational authorities that have given school vouchers to K-12 Islamist schools that preach hatred of America and Jews; immigration officials who give visas to Islamist imams promoting hate and exclusion and universities that accept foreign donations to host Islamist-leaning scholars and events.

Mr. Vidino is founder and director of the Program on Extremism at George Washington University.

Mary Anastasia O'Grady is away.

NCAA Pushes Congress to Gut Title IX

By Kim Jones

The National Collegiate Athletic Association presents the Protect College Sports Act as a solution to a host of problems: disarray in college football, conference realignment and name-image-and-likeness payments to college athletes. What the NCAA and its lobbyists aren't telling anyone is that the PCSA is a Trojan horse for men in women's college sports.

The NCAA violated Title IX by making Lia (né William) Thomas, CeCé Telfer, Blaire Fleming, Sadie Schreiner and other men eligible to win NCAA women's titles and awards, join women's teams, and enter women's locker rooms. In response to these violations of federal law, my organization, the Independent Council on Women's Sports, is financially supporting three federal lawsuits filed in 2024 and 2025 against the NCAA and its member conferences and schools on behalf of dozens of female athletes, including Riley Gaines and Brooke Slusser, as well as female Olympians and American record holders.

The PCSA's overly broad exemption would short-circuit these lawsuits and halt efforts to hold the NCAA accountable under Title IX. By exempting all NCAA eligibility decisions, the bill would shield the NCAA from liability for past and future eligibility decisions that violate Title IX.

A bill would free the association of liability for forcing women to compete against men.

Given the NCAA's longstanding and defiant disregard for the rights of female athletes, it isn't surprising that the association's lobbyists have slipped into the PCSA an overly broad exemption from federal law, authorizing the NCAA to harm countless female college athletes—past, current and future. The PCSA exemption would gut the impact of Title IX in women's college sports, even erasing the need for the NCAA to continue to adhere to President Trump's executive order, which prompted the NCAA to modify its eligibility policy for men in women's sports.

It would undo important aspects of the Supreme Court's recent decision in *West Virginia v. B.P.J.,* which upheld state protections for women and girls in school sports, including college sports. The PCSA would exempt the NCAA from accountability under state laws in 27 states, and from measures on the ballot in several others, which specifically address eligibility for women's sports teams in college. These state laws became necessary because the NCAA and its member institutions were violating Title IX.

No one should think the NCAA can be trusted on the issue of men in women's college sports. Even today, the NCAA permits member schools to allow men on women's teams, and the association's revised policy allows men to define themselves as women and use women's locker rooms.

More than 80% of the public believes men shouldn't be allowed to compete in women's sports. Female athletes deserve the full protections of Title IX. Regardless of how pressing other issues in college sports may be, neither the president, Congress nor the public should accept a measure that would harm female athletes for decades to come. Solve football, solve NIL, but don't exempt the NCAA from Title IX and state law.

Ms. Jones is a co-founder of the Independent Council on Women's Sports. She was an All-American in tennis at Stanford.

BOOKSHELF | By Judge Glock

A Wrench In the System

The Time Tax

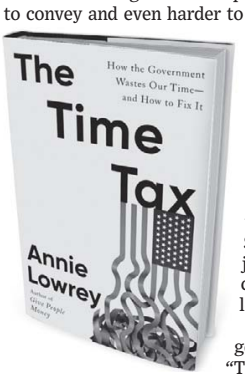
By Annie Lowrey
Ecco, 352 pages, $32

A few decades ago, the internet made people optimistic about an end to paperwork. The Government Paperwork Elimination Act of 1998 encouraged a move to online forms, which many hoped would drastically reduce the time required to fill them out.

Yet today government paperwork is an ever-weightier millstone around the public's neck. The same tools that made filling out forms easier have made politicians and bureaucrats more adept at creating more paperwork.

Annie Lowrey, a staff writer at the Atlantic, chronicles the growing burdens of government paperwork in "The Time Tax," bringing verve to a dry topic even if she often veers into general complaints about American hard-heartedness. Ms. Lowrey argues that a vastly expanded and more generous federal government could reduce both inequality and the paperwork burden. That seems unlikely.

The scale of government paperwork is nearly impossible to convey and even harder to believe. The government estimates, and most likely underestimates, that Americans spend about 12 billion hours a year on federal paperwork. That's the equivalent of almost 6 million full-time employees working year-round filling out forms. If the time spent was paid at prevailing wages, the paperwork would cost $430 billion a year. And that's just federal paperwork: These costs don't include state and local forms.



There are many kinds of government paperwork, but "The Time Tax" focuses on those needed to access government benefits. Ms. Lowrey highlights the inept and baffling design of many of these programs. In California, for instance, low-income residents can obtain a state identification card at a reduced price, but first they must set up an appointment and share extensive information with a "qualified verifier of income," who will then prepare the documents that must be taken to the local DMV—all to save $45.

The book's complaints about paperwork sometimes shift into the demand that the government remove any roadblocks to benefits or checks on eligibility. Ms. Lowrey's previous book was "Give People Money" (2018), and much of this one is a lament that the government does not do more of that. The author is angered by student loans, which take time and paperwork to repay and which she would replace with direct grants. The loans, she says, "feel like a burden, rather than an investment." What taxpayers would feel about paying more for these students is not discussed.

The Covid-19 pandemic led to a vast reduction in the paperwork needed to access benefits. It was, in many ways, an instantiation of the book's goals. States were barred from dropping beneficiaries from Medicaid or requiring them to reapply, unemployment insurance became easier to access and retain, and states stopped requiring certain interviews for SNAP food benefits.

Despite evidence to the contrary, Ms. Lowrey argues that the reduction in oversight during the pandemic "did not lead to a surge in mispayments or fraud." She notes that the proportion of food stamps that were overpayments went up by only about 60%. "Researchers attribute the increase to confusion," she insists, "rather than deceit." Some readers might find that increase alarming whatever the reason.

Americans spend about 12 billion hours a year on federal paperwork. The programs that require such forms are often ineptly designed.

The book does mention that the federal tax system demands an immense amount of citizens' time: 7 billion hours. It does not connect that number to the earlier statement about the total federal paperwork burden. If it did, it would have to note that nearly 60% of the federal "time tax" is from actual taxes. Despite the importance of tax paperwork, Ms. Lowrey's examination of the subject takes up only a few pages in the book.

Regulations on businesses, the next largest source of paperwork, go almost entirely undiscussed. The book says it does not deal with agencies that "scarcely interact with the American public, even as they work on its behalf." It therefore does not deal with "offices focused on banks, farms, unions, markets, land use, and trade. No need to worry about the Public Company Accounting Oversight Board." In fact, the American public includes bankers, farmers, workers, traders, builders and accountants, who together spend billions of hours interacting with the government through filling out forms.

Ms. Lowrey argues that government could do much more of this paperwork internally and thus save citizens' time. She cites the Direct File system, which helped people fill out their taxes, and which saved taxpayers $6 million on tax preparation fees in 2024. "Alas, Republicans shuttered the initiative." And to those who argue against the ability of the government to do such work efficiently, she points to the U.S. Postal Service, which she says operates with "efficiency and equity" and is "magic" in its ability to serve Americans.

Yet these government programs only shift burdens, they don't reduce them. The Direct File system cost tens of millions to operate, far more than its savings to customers. The Postal Service lost $9 billion in 2025 and, until it stopped paying into its retirement fund, expected to run out of money by 2027. In these cases, as in others, the government can only perform more services by levying more taxes, which further increases paperwork.

The simplest solution to excess paperwork would be for the government to do less: fewer regulations, fewer taxes and fewer benefits. Since many benefits are given to the same people who are paying taxes, cutting both could reduce paperwork without any loss of income.

Instead, "The Time Tax" argues that more benefits, the inevitably higher taxes that accompany them, and a bigger, more centralized government would be the best means to reduce paperwork. The whole history of America, as well as common sense, suggests otherwise.

Mr. Glock is director of research at the Manhattan Institute and author of "The Dead Pledge: The Origins of the Mortgage Market and Federal Bailouts, 1913-1939."

OPINION

REVIEW & OUTLOOK

Trump's Latest Iran 'DEAL'

A friend quipped the other day that President Trump truly deserves the Nobel Peace Prize because he has already ended the Iran war eight times. Will the ninth time be the charm after his latest decision to call off a military escalation in search of a deal with the revolutionary regime?

He again calls off the military escalation he threatened, with little detail disclosed.

"We have just been asked by Iran, and other Middle Eastern Countries, to hold off any attack in that the perimeters of a deal has been agreed to," Mr. Trump posted at 10:05 p.m. on Saturday. He added that this includes "Immediate, Complete, and Total" opening of the Strait of Hormuz and an end to Iran's nuclear program.

Mr. Trump offered no other details. It also isn't clear how this miraculous turn of events happened so quickly after Mr. Trump had been building all week to a military response. Journal reporters said Friday Mr. Trump had made a decision to escalate.

Saudi Arabia's national news agency reported that Crown Prince Mohammed bin Salman had asked Mr. Trump to stand down, perhaps fearful that its oil facilities and tankers would become a target of Iran in the Gulf and Iran's Houthi proxy in the Red Sea. If that's true, it's another sign that Iran now has escalation dominance in this conflict.

Iran hasn't said much as we write this, and leaks from negotiators suggest the familiar confusing intercessions from Oman and Qatar. It seems unlikely that Iran has agreed to much on its nuclear program after the June 17 memorandum of understanding (MOU) offered little in the way of concessions.

As for the Strait, Mr. Trump's latest threats of escalation followed Iran's attacks on shipping that tried to pass without its permission—as well as an unprovoked missile attack last week on a U.S. base in Jordan.

By now it's clear that this up and down, back and forth, from war of annihilation to peace in our time is Mr. Trump's chaotic way of war. He may think it keeps the enemy guessing, but it also keeps the American public unsure of what his war aims are or how he hopes to achieve them. No wonder the polls show voters have soured on the war. If Mr. Trump did restart the bombing, it isn't even clear what his strategic purpose would be, other than hoping that it would cause the regime to sign what he calls a "DEAL."

It's been clear since Mr. Trump agreed to a cease-fire in April that he wants out of the war. He's worried about the impact on the economy from higher oil prices, or, as he memorably put it, becoming the next Herbert Hoover. He also wants lower gas prices going into the midterm election, especially as his approval rating falls below Joe Biden's and Barack Obama's at a comparable period in their terms.

Iran's regime knows signals of weakness when it hears them. It interpreted the poorly drafted MOU as an opening to let it control the Strait and has kept taunting Mr. Trump with attacks on U.S. allies and bases. Mr. Trump lashes out with a tit-for-tat bombing response that so far hasn't caused Iran to bend.

Iran also knows Mr. Trump is surrounded by advisers who didn't want the President to attack Iran at all and now want the conflict over on nearly any available terms. His aides think the cost of further fighting is higher than the damage to U.S. (and Mr. Trump's) credibility from a cease-fire that cedes the initiative in the Gulf to Iran. The death of Sen. Lindsey Graham removed a rare hawkish counselor.

Has Iran now finally agreed to terms that can plausibly be called a U.S. victory, as Mr. Trump's Truth Social post suggested? Recall that when the MOU was signed, Mr. Trump's negotiators hailed the result, and claimed the regime had turned a "new leaf," as Vice President JD Vance put it, and wanted to become a "normal country," despite 47 years of promoting terror and regional revolution.

As ever, it pays to watch what Iran does, not what the regime and Mr. Trump say it will do.

The Public Pension AI Boom

President Trump and Bernie Sanders have argued for the government taking equity stakes in AI companies to ensure the public benefits. A new report by the Equable Institute on the state of government pensions shows that the taxpayers and public workers are already profiting plenty from the AI market boom.

An Equable study shows how the market is already helping workers.

The tech-heavy Nasdaq has had its down days of late amid concerns about economic collateral damage from the Iran war. Yet the economy is proving to be remarkably resilient in large part thanks to an AI investment boom. Optimism about AI has helped push the Nasdaq up 21% over the last year and 71% over the last five years.

The rising AI tide is lifting many non-tech company boats, including GE Vernova (up 49% in 12 months) and Caterpillar (89%), which make turbines for natural-gas plants that power AI data centers. The market boom has also boosted the funding ratios of government pension funds, which Equable estimates hit 85% nationwide this year—the highest since 2007.

Equable estimates that about 8% to 10% of government pension funds are invested in a basket of 51 publicly traded AI-related companies. This doesn't include investments in privately managed funds that own stakes in private AI companies like OpenAI and Anthropic. While AI is yielding tremendous returns for pension funds, it also bears a warning.

Strong investment returns have alleviated financial pressure on state and local governments since taxpayers pay most of the bill for public worker pensions. Government employers contribute about 31.8 cents for every dollar that workers earn in compensation toward their pensions—triple the amount in 2001. Taxpayers would have to pony up even more if not for the AI boom.

Therein also lies the risk. Some AI company valuations may be stretched in the current boom and could be in for a correction. Government policies that seek to slow AI—e.g., robot taxes and data-center moratoriums—could truncate the boom. In that case, taxpayers would be stuck paying much bigger pension bills, which could force worker layoffs as happened after the 2008-09 meltdown.

It would be better for governments to move workers to 401(k)-style plans that reduce the risk for taxpayers and give public workers a direct stake in the success of AI and other companies. Maybe then government unions wouldn't be as hostile to private business.

How Green Policies Fuel Fires In Europe

Fires have been wreaking havoc across France and Spain, as they often do when conditions are dry and wind is high. But it wouldn't be a weather-related tragedy these days if someone didn't blame climate change. The tragic irony is that Europe's environmental policies are making such wildfires more likely and more devastating.

Burned areas are disproportionately nature-protected lands.

Under its Green Deal and related policies, the European Union is designating 30% of the continent as nature-protected by 2030. Goals include increasing the amount of deadwood and the density of tree cover in forests. Whatever their environmental merit, such measures increase the amount of highly flammable fuel for fires, make it easier for blazes to spread and harder to extinguish.

The EU also wants at least a third of this protected land to fall under "strict protection," which means it will be left "essentially undisturbed from human pressures and threats," according to European Commission guidance. It allows for some natural disaster prevention measures, but only "when such activities are compatible with the conservation objectives of the areas on the basis of a case-by-case assessment," the guidance says.

Ranchers and farmers in Spain and France have historically managed their land to mitigate the risk of megafires. But the EU's regulations have made it harder for small farms to survive across Europe, accelerating a rural exodus. Red tape often hinders those who remain from carrying out preventive actions like controlled burns.

"Environmental legislation has not been based on the science of ecology, or on forestry," says Víctor Resco de Dios, a professor of forestry at the University of Lleida in Spain. "I think it's been based on ideology, on a Walt Disney view of the world with Bambi, where you see human beings as inherently bad" for the environment. But "when you remove humans out of it, what happens is you get more fuel, and then you get worse fires."

In a paper last year for the Journal of Environmental Management, Mr. Resco de Dios and co-authors looked at fires in the temperate forests of southwestern Europe, including Spain, France and Portugal. They found that protected areas constitute 38% of the forest land but 55% of the burned area in recent fires.

They also reported that in Australia, California and southwestern Europe, fires burned more intensely on protected lands, which makes them more dangerous to nearby residents and more damaging to natural habitats. This explains some of the fires that have done so much damage in recent years to residential areas in the American West.

The European Forest Fire Information System publishes maps and data, updated daily, on the current blazes. They show considerable overlap between the protected nature areas in Spain and France and the wildfires. That suggests in addition to the vagaries of weather, a policy failure.

Blaming climate change is the default explanation these days for any natural disaster, but Europe's costly solutions will make little difference to global temperatures. Better forest management and fire prevention can make a difference, however. And they would reduce the CO2 emissions from fires that now overwhelm much of the reduction from electric vehicles or other climate nostrums.

LETTERS TO THE EDITOR

The Math on AI Works Out Real Well for You

Mark Zuckerberg echoes Adam Smith when he argues in his op-ed "The AI Future Is for Everyone" (July 29) for decentralized control over the means of producing AI to unleash innovation. He is right, and moves by the government to limit AI are creating one of the greatest dangers to its societal value: underinvestment. Skeptics may grumble about a bubble, but capital outlay is reckless only if it fails to earn its keep. The relevant question is what these investments are actually worth to society.

The five largest technology firms are expected to invest about $900 billion in AI from 2025 to 2027. Consider the possible social value. If AI raises the permanent level of gross domestic product by only 1%—about $330 billion a year—that perpetual stream, discounted at the federal government's preferred 3% rate, would be worth roughly $11 trillion, more than 12 times as much as the capital invested.

AI's positive effects extend to consumer gains beyond purchases and nonmarket goods, too, which are left out of GDP. Chief among those is health, arguably the most valuable of all goods. University of Chicago economists estimate that the longevity gains Americans enjoyed over the 20th century were worth about as much as the entire growth in GDP across that century. So suppose AI delivers a modest 1% increase in U.S. life expectancy through better diagnosis and treatment. By the government's own cost-benefit methods, that is worth about $140 trillion.

The usual objection to AI is a fear of layoffs. But our workforce has grown through past productivity revolutions. Agricultural economies of the past were plagued by malnutrition; today the roughly 1% of U.S. workers in agriculture are productive enough to make us obese. That staggering leap in productivity didn't yield a 99% unemployment rate—it freed labor to build everything else. Likewise, the automation of manufacturing, a sector in the U.S. now under 10% of national GDP, turned developed nations into service economies while the workforce expanded as women entered it in large numbers. AI may even raise employment within a given industry, since higher productivity lowers prices, lifting demand for more labor: Uber added far more drivers than it cut dispatchers.

Even tiny gains from AI produce social benefits that swamp a $900 billion investment. Curtailing the boom and the data centers behind it—as New York recently did—is misguided. Would you rather live a poorer, shorter life without AI or a longer, richer one with it?

Tomas Philipson
Chicago

Mr. Philipson served as a member and acting chairman of the White House Council of Economic Advisers from 2017-20 and sits on the Economic Advisory Board of Anthropic.

Why Won't the Government Let Us Help Kids?

Jason Riley is right when he argues in "The Answer to the Academic Achievement Gap Is Obvious" (Upward Mobility, July 29) that charter-school critics are wrong. I founded an all-boys charter school in 2021, with the goal of helping black boys who basically stopped learning during Covid shutdowns. Their lives were at risk of being ruined or lost.

We now have about 100 students, and we don't cherry-pick families. They find us, not the other way around. Our students excel because we treat them differently. They're addressed as "Mr." and their last name. They're held to higher personal and academic standards. The typical student gains between two to four years in reading level each year.

Despite our positive effect, we're held hostage by politics. During the state budget impasse last year, we couldn't make payroll. We couldn't pay teachers or provide lunch for the boys. We were only saved by a grant from Black Pastors United for Education. We've avoided that specific tribulation this year, but the state legislature still tried and failed to cut charter-school funding. We fear every year may be our last.

Our school gives boys the stability they need to thrive. Why won't our elected leaders give charter schools the stability we need to help more children?

Rev. Darryl Canady
LIFE Male STEAM Academy
Pittsburgh

U.S. Treasury Is Helping Venezuela Rebuild

Kejal Vyas and Ryan Dubé capture the scale of Venezuela's reconstruction challenge in "U.S. Faces a Quagmire in Venezuela" (World News, July 20). However, reconstruction depends not only on the availability of capital. It also depends on whether that capital can move into Venezuela.

On July 27, the U.S. Treasury took an important step toward reconnecting Venezuela to the U.S. financial system. It issued an enforcement policy designed to give U.S. financial institutions greater confidence to support Venezuela-related activities authorized by the Office of Foreign Assets Control. Subject to the policy's conditions, the Financial Crimes Enforcement Network will generally refrain from taking supervisory or enforcement action when U.S. financial institutions provide authorized Venezuela-related services and make reasonable efforts to comply with U.S. anti-money-laundering requirements. This matters because even when the U.S. government permits a transaction, banks usually still refuse to process it because of the compliance risks associated with jurisdictions considered high risk.

Without payment processing, correspondent banking, trade finance and credit, American investment cannot reach projects at the scale Venezuela requires. By reducing this regulatory uncertainty, the Treasury is creating better conditions for banks to support the country's economic reconstruction. The policy will remain in effect until at least Jan. 29, 2027.

Jorge Jraissati
President, Economic Inclusion Group
Boca Raton, Fla.

The Smithsonian and Burke

Regarding William Galston's "Trump Has a Point About the Smithsonian" (Politics & Ideas, July 29): Having followed the reporting on the politically correct Smithsonian Director Anthea Hartig, I shouldn't have been surprised by the quote of her views on her profession: "History as a practice . . . is for me a prime tool of social justice." How does that comport with a historian's overarching responsibility—paraphrasing Edmund Burke—to the dead, the living and the yet unborn? Ms. Hartig's focus on the "presentism" of social justice must surely disqualify her for the role of Smithsonian director. Better she ply her trade as a Democratic socialist community organizer.

Stephen C. Kinnaman
Chappell Hill, Texas

Who Wins in a Rent Freeze?

William McGurn has it right in "Mao Meets Manhattan" (Main Street, July 28), except he omits one thing. It sure looks like the ultimate goal of Zohran Mamdani's efforts is to confiscate "negligent" landlords' properties who've been left with no financially viable way to maintain their buildings and to give the properties to nonprofit groups, NGOs and land trusts. Freezing the rent without freezing operating costs will create a lot of potential targets.

James Bianco
Yonkers, N.Y.

Thanks to the Billionaires

I loved Rob Arnott's op-ed "Thank You for Your Success, He Said" (July 29). He said what I have said: Thank God for people like Jeff Bezos, Bill Gates, Elon Musk and everyone who has brought us technology to improve our lives. I grew up with telephone party lines in the '60s, snail mail and reading physical newspapers, books and magazines. There were no cellphones, no computers. I never begrudge anyone who is a millionaire or billionaire his money—he or she has developed vital products for the masses.

Matina Kantzavelos
Morton Grove, Ill.

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Pepper ... And Salt

THE WALL STREET JOURNAL

"Job search not going so good?"

OPINION

A Brief History of Wealth Creation

By John Steele Gordon

The grandeur of the Roman Empire was built on the aggregation of wealth. Using its superior military organization, Rome conquered its neighbors, took their gold and silver and sold their populations into slavery. When the empire ran out of neighbors, the Roman economy began to falter.

Today America is in the midst of the greatest epoch of wealth creation the world has ever known. Our history is one of innovation, and we are all richer because of it.

In 1982, the first year of the Forbes 400, it took $100 million to make the list, and the wealthiest American was Daniel Keith Ludwig, worth $2 billion. In today's dollars, those figures are approximately $346 million and $6.9 billion.

The ancients aggregated wealth. America was built by creating it. Socialists are blind to all this.

In 2025 it took $3.8 billion to make the list, and the man at the top was Elon Musk, worth $428 billion as calculated on Sept. 1.

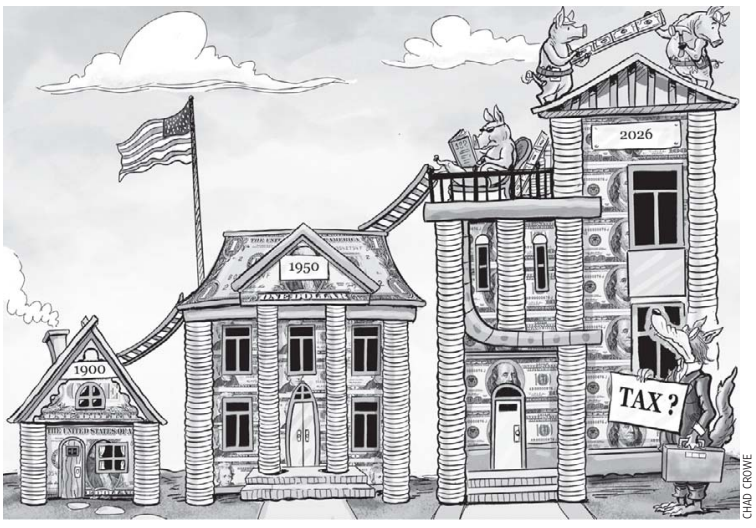
How did this rapid increase in wealth come to be? Simple: the microprocessor and the internet. Whenever a new technology greatly reduces the cost of a major input into the economy, the cost of goods and services drops and an influx of new fortunes quickly follows.

Before the Industrial Revolution, fortunes were based on land or trade. Energy was provided by muscle power, windmills and water wheels.

Then in 1781 James Watt patented a rotary steam engine that could turn a shaft and thus power a factory. Unlike water wheels, steam engines could be scaled to almost any size. The Industrial Revolution moved into high gear because energy was suddenly cheap. That reduced the price of industrial goods for everyone while increasing profit for the owners.

In 1826, young Benjamin Disraeli popularized the word "millionaire" to describe the new industrial barons in his novel "Vivian Grey."

In the early 19th century, factories were limited in size by the area to which their products could be economically delivered. Freight moved by water or it didn't move at all. When the steam engine was adapted to power locomotives, the cost of overland shipping dropped precipitously. Whereas once every town had its own cobbler, suddenly a shoe factory in, say, Worcester, Mass., could make better—and much cheaper—shoes for the whole country.



Within a few decades, railroad fortunes like those of Jay Gould, E. H. Harriman, James J. Hill and Cornelius Vanderbilt were among the largest in the country.

Almost simultaneously the sewing machine reduced the time needed to make a shirt from 16 hours to two, greatly reducing clothing costs. Isaac Singer died very wealthy.

Gaslight became common in cities in the early 19th century, but people living beyond the reach of a gasworks still had to use expensive candles or whale oil. Whales were being overhunted, and the price of whale oil rose alarmingly. Then Yale chemist Benjamin Silliman Jr. showed how crude oil could be fractionated into various liquids, one of which was kerosene, an excellent illuminant that was much cheaper than whale oil.

In 1859 the first oil well was drilled. By 1900 the names Rockefeller and Flager were legendary, and the price of kerosene had dropped continuously thanks to economies of scale.

The ancients knew about steel, but it was so expensive to produce for most of history that it was almost a semiprecious metal. In 1856 the British engineer Henry Bessemer invented a process for the mass-production of steel, and the material became cheap. Its use in railroad rails—now cheaper, safer and longer-lasting than wrought iron—greatly increased. Steel-framed buildings could soar to the sky. The word "skyscraper" came into usage around 1891, and Carnegie, Frick, Phipps and Schwab were soon household names.

In 1946 the first programmable computer, Eniac, came online. It was far faster and more versatile than the electromechanical devices it replaced. It was also the size of a school bus, had more than 17,000 vacuum tubes and sucked up 150 kilowatts of electricity an hour.

Computing remained very expensive despite the new technology, owing to what mathematicians call the tyranny of numbers. Computing power is a function both of the number of nodes and the number of connections between them. Two nodes require one connection, four nodes need six, six need 15 and so on. As long as those connections had to be made, essentially, by hand, computers were confined to governments and big businesses, tended by men in white coats.

The microprocessor, a computer on a chip of silicon, came to the market in 1971, thanks to Texas Instruments and Intel. The cost of the storage, retrieval and manipulation of data began to collapse. It was the most consequential technology since the steam engine made energy cheap.

Steve Jobs and Steve Wozniak soon founded Apple and developed the first mass-market personal computer to reach consumers. Microsoft provided software to IBM, and Bill Gates became, for a time, the wealthiest man in the world. Thanks to these men, school kids today carry around more computing power in their backpacks than the Pentagon could have afforded in the 1950s.

Sam Walton understood that cheap computing made very close inventory control possible. That, along with vast wholesale purchasing power, allowed lower prices for customers. Walmart today has 1.6 million U.S. employees.

When the PC was wedded to the Internet, the world changed profoundly in only a couple of decades. Jeff Bezos saw how the new technology could revolutionize retailing again. Amazon today has 1.1 million American employees, second only to Walmart. Its American customer base is about 255 million, about 75% of the country's population.

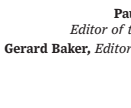
In recent years, Elon Musk's SpaceX has greatly reduced the cost of using outer space, thanks to the reusable rocket. We can expect more fortunes—and cheaper goods and services—as a result of this innovation. Artificial intelligence is profoundly altering the digital universe, with the promise of ever greater computing power.

All this wealth creation is ultimately capital formation. Billionaires don't keep their wealth locked in Scrooge McDuck-style money bins. They invest it in ever more wealth-creating enterprises.

Capital and labor are the two fundamental inputs into an economy. Many on the left, unable to distinguish between wealth aggregation and wealth creation, want to tax wealth heavily, which would reduce the available capital needed to make the economy grow. If there was ever a prime example of ideology blinding people to reality, this is it.

Mr. Gordon is author of "An Empire of Wealth: The Epic History of American Economic Power."

Socialist Chic and the 'Medicare for All' Sham



LIFE SCIENCE
By Allysia Finley

A friend recently observed that many young, relatively affluent people in his New York City neighborhood—which voted heavily for Zohran Mamdani—dress like hobos and sport Carhartt workwear. Call it socialist chic. The sartorial style is also an apt metaphor for patrician progressives who feign solidarity with the proletariat.

Consider Abdul El-Sayed, the left-wing front-runner in Michigan's Democratic Senate primary this Tuesday. Mr. El-Sayed has surged to the lead against Rep. Haley Stevens by presenting himself as a man of the people. He has called for free child care, "Medicare for all" and an 8% wealth tax on billionaires.

"I don't think that our system should be in the business of creating billionaires," he said during a March debate. "I think our system should be in the business of empowering everyday folks to be able to live a life with access to the basic dignities that they need and deserve, good housing, good healthcare, affordable food."

Nobody can disagree with the latter goals. But Mr. El-Sayed's prescriptions to achieve them would expand government control of healthcare and the private economy and exacerbate the socioeconomic inequalities he inveighs against.

Mr. El-Sayed, 41, earned a doctorate in public health from Oxford University and a medical degree from Columbia—though he didn't complete an internship and isn't licensed to practice medicine. Instead of caring for patients, he has spent his career nurturing ties to progressive groups. "My career has never been about trying to maximize on money, otherwise I would have just gone and been a surgeon," he said in June.

Still, he hasn't done too shabbily. He and his wife, Sarah Jukaku, earned $686,069 in income last year, according to a financial disclosure report he released last month. That would rank him among Michigan's top 1% of earners.

The couple made $262,299 from capital gains, which he said came from the sale of a property that his wife's parents bought for them. His disclosure also noted "additional income" of $292,881 from his podcast, "America Dissected," and his wife's psychiatric practice. His podcast claims to "explore what's really making us sick and what we'll need to take on—be it racism, corporate capitalism, or snake-oil salesmen—to keep all of us healthy."

Mr. El-Sayed and his wife also own between $882,000 and $2.2 million in assets, which include three rental properties, one of which his wife recently acquired in Dubai. Nobody should begrudge Mr. El-Sayed his modest fortune, but why should he begrudge billionaires theirs?

What Abdul El-Sayed proposes is a single-payer system nothing like the program for the elderly.

The left-wing candidate in recent days has tried to distance himself from the Democratic Socialists of America, perhaps because he worries the label will alienate voters in November. "I'm not a socialist," Mr. El-Sayed said. "I'm just a capitalist who understands how capitalism works." You wouldn't know it from his policy agenda.

He does know how to make money selling snake oil. In 2021 he co-authored a book, "Medicare for All: A Citizen's Guide," with a foreword by Sen. Bernie Sanders. The catchphrase "Medicare for all" is misleading. What Mr. El-Sayed proposes isn't universal Medicare but a single-payer system with no premiums, deductibles or cost-sharing.

Medicare has all of the above. All seniors who don't also qualify for Medicaid have to pay a monthly Medicare Part B premium, starting at $202.90 a month and tied to income. Seniors who enroll in traditional Medicare fee-for-service also have a $1,736 deductible for inpatient hospital care, steep cost-sharing requirements and no limit on out-of-pocket spending.

They also have to purchase separate prescription-drug plans, whose monthly premiums range from zero to $239. About 40% of seniors in traditional Medicare buy supplemental insurance polices to cover benefits like dental and vision care not provided by the government and for protection against catastrophic costs.

Seniors also have the choice of enrolling in private federally subsidized Medicare Advantage insurance plans. About half of Medicare beneficiaries, and most of those with lower income, enroll in Advantage plans because they provide comprehensive coverage at lower cost than fee-for-service. Mr. El-Sayed wants to eliminate these plans.

Yet he slickly pitches "Medicare for all" as an antidote to America's myriad healthcare ailments, which are largely caused by government policies. He complains that lower-income Americans struggle to access doctors. But that's primarily because of the ObamaCare Medicaid expansion and low government reimbursement rates for physicians.

Mr. El-Sayed's idealized system resembles Medicaid, in which patients can wait months to see specialists. In single-payer systems in other countries where the government rations care, wait times are even worse. The Royal College of Emergency Medicine recently reported 15,860 avoidable deaths last year associated with long delays for Britain's National Health Service.

The wealthy in countries with nationalized health systems can usually expedite care by paying out of pocket to see physicians, while the hoi polloi are consigned to long waits for substandard care. Like the rest of the socialist agenda, Medicare for All is a sham.

The FBI Raided My House, Guns Drawn, Over a Peaceful Protest

By Paul Vaughn

On a quiet October morning in 2022, my life changed forever. Agents of the Federal Bureau of Investigation pounded on my front door and arrested me at gunpoint in front of my wife and children. Last week, my life changed again.

After years of legal battles to clear my name, my family has reached a settlement with the government concerning the weaponization of power against us and the harm it inflicted. This settlement comes on the heels of a landmark Justice Department report that confirms what my attorneys at the Thomas More Society argued from the beginning: What happened to me wasn't an accident or an overzealous mistake but a coordinated campaign against pro-life advocates like me.

I'm a Christian father of 11, and a significant part of living my faith is advocacy for the dignity of unborn children and vulnerable mothers. My family's world was shattered when FBI agents raided our rural Tennessee home, guns drawn, treating me like a dangerous criminal for peacefully praying and singing outside an abortion business over a year earlier. My children watched in fear as I was handcuffed and led away, and when my wife desperately asked what was happening, where the agents were taking me and on what authority, her pleas went unanswered.

The legal nightmare that ensued lasted more than a year, leaving me a felon and my family dealing with the fallout and trauma caused by the government. By God's grace, I received a presidential pardon on Jan. 23, 2025, soon after Thomas More Society lawyers sent a formal pardon petition to President Trump.

I give thanks that I can write this from my home, surrounded by family and with my freedom restored. Yet every time I am called to recount what happened that morning, the pain is as fresh as the day it occurred.

Now we know the full picture: The Justice Department's report found that the Biden administration systematically weaponized the Freedom of Access to Clinic Entrances Act against pro-life Americans while closely coordinating with abortion-industry groups to identify, surveil and target us for prosecution.

The National Abortion Federation wasn't merely cheering from the sidelines. Its security director was described by the Justice Department's own task-force director as an "MVP" for flagging pro-life demonstrations to the government, often in real time, "which usually result in an investigation/prosecution." The federation compiled a dossier on pro-life supporters that included photographs, home addresses, driver's license numbers, and even photos of spouses and minor children and shared it directly with the Justice Department and the FBI.

One of the Justice Department leaders of the charge against me and my fellow pro-life advocates was Sanjay Patel, a prosecutor in the Civil Rights Division's criminal section, who oversaw FACE Act enforcement nationwide. In my own case, which went to trial in federal court in Nashville, defense counsel requested historical prosecution data to prepare a selective-prosecution defense. Mr. Patel refused, claiming he didn't keep such records. But the weaponization report revealed that he had the information readily available. In fact, he had already shared substantially identical data with the National Abortion Federation. The evidence that might have demonstrated the government was treating us differently was withheld from the Americans being prosecuted and handed to the organizations that helped target us. Mr. Patel was among the prosecutors fired before the report's release—a small but significant measure of accountability for those who presided over this campaign.

Biden officials worked with the National Abortion Federation to treat pro-life advocates as criminals.

Recent revelations show that we weren't casualties of blind justice but instead carefully selected targets of a politically motivated campaign against pro-life Americans. None of this is easy to reckon with. The Justice Department, the institution charged with protecting Americans equally under the law, was weaponized against me and other people of faith for the peaceful exercise of our pro-life beliefs.

That is why I am grateful for what the Trump administration has done. The presidential pardon, the willingness to investigate and publicly release this report, and now this settlement aren't small things. They are acts of institutional honesty and are the beginning of restoring faith in government and in the idea that America's promise of equal justice under law still means something.

A Christian should be able to stand on a public sidewalk or in a building open to the public, pray quietly, peacefully share the pro-life message, and go home to his family without fear that a federal task force is building a file on him and taking cues from an abortion industry lobby.

That isn't a radical request. I pray this marks a turning point—for pro-life Christians and for every American who believes that justice must be blind and speaking the truth isn't a crime.

Mr. Vaughn is president of Tennessee Wireless and Personhood Tennessee.

THE WALL STREET JOURNAL.
PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

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EDITORIAL AND CORPORATE HEADQUARTERS:
1211 Avenue of the Americas, New York, N.Y., 10036
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SPORTS

JASON GAY

Ohio State Lands a JPMorgan Deal

You're nothing in college football these days without a fancy jersey sponsor

Will they insist we call it THE JPMorgan Chase now?

That's the question I have following this week's announcement that JPMorgan Chase has become the bank and jersey sponsor of the athletic program at Ohio State, the university that daffily insists upon using (and won a trademark for) a definite article to declare itself, as in THE Ohio State University.

Whatever. They'll always be Chase and the Buckeyes to me.

Here we are, the latest installment of college sports dropping the ruse that it isn't all about the dollars. ESPN reported that Ohio State's deal with JPMorgan calls for the bank to pay the school nearly $17 million each season, for which it will get its logo on game day jerseys and perhaps find an opportunity for Jamie Dimon to chuck one pass versus Nebraska.

Lunatics who pay attention to things like jersey patch deals were quick to point out that the OSU-JP deal rivals the most expensive jersey patches in U.S. professional sports. Why shouldn't it be? Buckeye football is as big and crazy of a passion as any major team—probably bigger and crazier. And this deal covers all 36 of OSU's varsity sports. Fencing! Can't wait for that Chase-branded fencing lamé. *En garde!*

Naturally, there's some risk of backlash from you-know-who, That Team Up North. One imagines irritated Michigan Wolverines burning checkbooks and disavowing money-market accounts as they drink their spritzes at Ann Arbor tailgates—but inside Columbus, this is like getting to sponsor religion.

(Buckeye coach Ryan Day confirmed there was never a chance of seeing the standard Chase logo on OSU gear, since that logo is blue, a prohibited hue in Columbus. Here, it's been changed to scarlet red. It remains to be seen if OSU hardcores will pronounce the "M" in JPMorgan)

Just as Ohio State was basking in this groundbreaking partnership, news arrived that fancypants Notre Dame was getting an even more lucrative deal with the financial services platform SoFi.

The reported moola for this one? $18 million plus per season.

Jerseys have long carried logos for apparel sponsors, but you're nothing in college football today unless you're sponsored by a bank, too. Michigan State has granted patch rights to the Michigan State University Federal Credit Union. Illinois is on board with Champaign-based Busey Bank. One suspects we are seconds away from the Curt Cignetti's Citigroup Hoosiers, the Bank of America Crimson Tide, and the Wells Fargo Trojans.

JPMorgan Chase is the jersey patch sponsor for Ohio State.

Not everyone's gone with a bank. Arkansas pecked out a deal with Arkansas-based Tyson Foods. My alma mater Wisconsin is going to be sponsored by Culver's, the beloved Midwest restaurant chain with frozen custard that melts like a Badger first-quarter lead.

The Big 12, meanwhile, made a deal with Monster Energy to secure jersey frontage on all Big 12 teams for $20 million a season—kind of a steal, actually, 16 teams for the price of Notre Dame. (Yes there are 16 teams in the Big 12 and 18 teams in the Big Ten, because nothing in life makes any sense anymore.)

Why stop here? With universities moaning to Congress about their inability to compensate athletes while maintaining large athletic programs—look at the push for antitrust protection—no financial opportunity should be ignored.

Why not decorate all of our college athletes like stock car drivers, covering them head to toe in logos for banks, tech companies, candies, soft drinks, sunscreens, insurers, hardware stores and ultra-processed snacks? Why stop at patches? What about helmets wrapped to look like frozen meatballs or wheels of imported Parmesan? And where are the sponsored hydration breaks—have the college sports pooh-bahs learned nothing from the dark lords of FIFA?

College football has an advantage here—it sold out a long time ago. This is a sport that named its bowl games for refrigerators, mufflers and weed eaters, and concludes a current one with the bleak, ritual toasting of an anthropomorphic Pop Tart. And then there are all the cognitively-dissonant deals with gambling companies as college campuses confront issues with addiction and online abuse of athletes.

This is the state of play in college sports, long present, now supersized, though a caution here: the lawyers are watching. Schools are desperate to squirm out of collective bargaining, but it feels increasingly likely. At some point, this revenue will need to be split with players, who, in turn, will need wise guidance as they navigate this financial wild west.

I know a few options. I've seen a few expensive jersey patches. Tell them to give me a call.

OHIO STATE ATHLETICS

Dodgers Acquire Skubal in Trade

By Jared Diamond

As it became clear that the Detroit Tigers were going to trade superstar pitcher Tarik Skubal, the question sweeping the baseball world was who was going to land him.

But deep down, everybody already knew the answer: The Los Angeles Dodgers had the money. They had the prospects. Most importantly, they had the will.

And this weekend, they sent a resounding reminder that will loom over the sport not just for the rest of this season, but throughout the inevitable labor battle still to come: If the Dodgers want something, they will get it—and there's nothing anybody can do about it.

The Dodgers acquired Skubal, adding yet another ace to their rotation as they pursue their third consecutive World Series championship. All it cost them to snatch up the winner of the last two American League Cy Young Awards was three minor-leaguers whose absences will barely make a dent in their loaded farm system.

It isn't as if the Dodgers needed Skubal. Their starting staff already entered Sunday with the best ERA in the major leagues. They brought him in simply because he was available and they could. For the juggernaut of MLB, that is enough.

"There just aren't that many star-level players in the game," Dodgers president of baseball operations Andrew Friedman said recently. "Any time one is available, we're always going to participate in those conversations."

How the Dodgers were so easily able to win the Skubal sweepstakes perfectly encapsulates what has made them such an unyielding force—and why MLB is careening toward a potentially devastating lockout to end their reign.

As always, it begins with their seemingly unending piles of money. The 29-year-old Skubal is set to become a free agent this winter and is likely to pursue a contract worth upward of $400 million. With record-setting revenues brought about by a massive local television deal and the presence of Shohei Ohtani, the Dodgers are one of the few franchises who can comfortably afford to give him one. (This explains why the Tigers moved Skubal in the first place, despite being within striking distance of a playoff spot.)

Other teams, like the Milwaukee Brewers and Tampa Bay Rays, undoubtedly could have sent the Tigers a package that surpassed what the Dodgers offered. But without a limitless bankroll at their disposal, those clubs almost certainly couldn't have retained Skubal, making him an extraordinarily expensive rental.

For small-market clubs, that isn't a viable option. Top prospects are the lifeblood that allow them to compete with wealthier opponents who can consistently outspend them for established talent. Trading those kinds of assets is a risk they are rarely willing to take.

Not so for the Dodgers, who have proven to be far more than just rich. Under Friedman's leadership, they have also built up a player-development apparatus that is the envy of all their peers. MLB.com ranks their farm system No. 2 in all of baseball, trailing only the Brewers. The highest-rated player the Dodgers parted with for Skubal—Double-A outfielder Zyhir Hope—is ranked fifth in the Dodgers organization and 25th in baseball.

In other words, the Dodgers got Skubal for what essentially amounts to the loose change found underneath the desk in team owner Mark Walter's office.

With Skubal in the mix, the Dodgers are primed to go into October with a collection of pitchers that ranks among the greatest in history.

The Los Angeles Dodgers traded for Tarik Skubal as they pursue their third consecutive World Series title.

RICK OSENTOSKI/IMAGN IMAGES/REUTERS

Since 2024, only Chris Sale of the Atlanta Braves has a better ERA than Skubal's 2.40. Skubal has struck out more batters over that span than anybody besides the Toronto Blue Jays' Dylan Cease. He appears to have fully recovered from the elbow procedure that kept him sidelined for six weeks earlier this season, having posted a 1.95 ERA in his last six outings.

He joins the Dodgers just as Blake Snell—another two-time Cy Young winner—is on the verge of returning from the injured list. Flamethrowing right-hander Tyler Glasnow, who has been out since early May, isn't far behind him.

Yoshinobu Yamamoto remains as dominant as ever. And the Dodgers continue to insist that Ohtani, who is dealing with knee and bicep issues, will pitch in the postseason to round out the dream rotation.

But just in case he doesn't, the Dodgers bought themselves the best possible insurance policy in the form of a 240-pound lefty with a powerful fastball and devastating changeup.

For months, MLB owners have remained steadfast in their desire to implement a salary cap in collective bargaining this offseason, in part to rein in the Dodgers. They might even be willing to tear down the entire 2027 season to get it.

With one blockbuster trade, however, the Dodgers have shown exactly where they stand. They are going to try to win at any cost—and completely breaking baseball might be the only way to stop them.

BUSINESS & FINANCE

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THE WALL STREET JOURNAL. Monday, August 3, 2026 | B1

Last Week: **S&P** 7489.72 ▲1.05% **S&P FIN** ▲1.05% **S&P IT** ▼0.12% **DJ TRANS** ▼6.39% **WSJ $ IDX** ▼1.49% **2-YR. TREAS.** yield 4.289% **NIKKEI** 64362.02 ▼0.39% **See more at WSJ.com/Markets**

Results Divide Big Tech Stocks

Reports drive outsize gains and losses as bond selloff adds to market pressure

By Hannah Erin Lang

Financial markets faced a series of crucial tests this past week. The results? Not as clear as investors might hope.

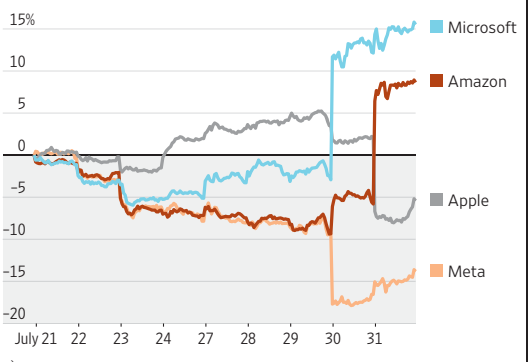
Earnings reports from the country's largest tech companies sent their stocks flying in different directions, propelling **Apple**'s shares to their worst day since the tariff turmoil and **Microsoft**'s to the largest one-day market-cap gain for any U.S. company, ever. A news conference from the new chairman of the Federal Reserve left analysts issuing notes with titles like "Doved and Confused" and "Erm... What?"

The question now is whether broadening equity gains and a renewed zeal for the artificial-intelligence trade can power the rally's next leg, even as chip-stock swings and a bond-market selloff drag on major U.S. stock indexes. The Nasdaq fell 3.2% during the month of July, while the Dow edged higher and the S&P 500 was little changed.

That modest move in those broader indexes has masked sharper moves beneath the surface, as investors re-evaluate their tech bets and grapple with the looming threat of rising interest rates.

10-year U.S. Treasury yield, past three days

Share-price performance, past nine days



Sources: Tullett Prebon (yield); FactSet (performance)

It's all "kind of chaotic," said Victoria Fernandez, chief market strategist and portfolio manager at Crossmark Global Investments. "Even though the top layer says things are fine, underneath there's a lot of churning and uncertainty."

That tumult was especially pronounced last week, as traders took a more discerning look at the market's biggest AI players—with drastically dissimilar results. After

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Oil Giants Trying to Get Into Venezuela Hit a Wall

By Collin Eaton And Kejal Vyas

Seven months after the U.S. deposed Nicolás Maduro, large oil companies have yet to make any big moves in Venezuela.

ExxonMobil, **Chevron** and other major oil companies are fighting for a small number of the country's most attractive drilling spots, but some of the talks with Venezuelan leaders have hit an impasse, according to people familiar with the negotiations.

President Trump and his lieutenants had high hopes that big U.S. oil companies would quickly sign investment deals to kick-start production in Venezuela, home to some of the world's largest reserves. They see the country's rising oil exports as a boon to U.S. supplies while Iran hobbles shipping lanes in the Middle East that typically carry 20% of the world's oil and gas.

The administration is also putting pressure on interim President Delcy Rodriguez to boost Venezuela's production quickly—before the end of Trump's second term.

Among the issues that have handicapped any big deals: Major U.S. oil producers are interested in many of the same prize assets, including fields in eastern Venezuela's Orinoco Belt and the northeastern state of Monagas—and they want to secure the most favorable fiscal and regulatory terms possible. The earthquake that shook the country last month also slowed the progress.

"Few of them are really jumping into the water," said José Ignacio Hernández, a law professor and consultant at advisory firm Aurora Macro Strategies. "It's like when you're trying to sell your house. You have a very successful open house with 100 people attending, but then nobody calls."

The negotiations are largely being led by state-run Petróleos de Venezuela, which is holding separate meetings with companies and making private offerings. Some of the American companies, which are more accustomed to public

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These Business Founders Don't Need Employees

By Te-Ping Chen

Ben Broca launched a company last December that offers AI tools to entrepreneurs. He has already added 10,000 paying customers and is on track to bring in $10 million in revenue this year.

One thing he hasn't added: any other employees.

The 40-year-old is part of a class of entrepreneurs who are launching, and then often running, new companies on their own. Artificial intelligence tools answer Broca's emails, help write and debug code, field requests from customers, sign up new subscribers and grant refunds when issues arise.

Broca relishes his ability to make whatever decisions he wants on his own, often from his sun-drenched Sausalito, Calif., living room. "I think compromises make lukewarm results," he said.

Once upon a time, running a business of a certain size required a team. AI is turning that assumption upside down, and more aspiring entrepreneurs are going it alone.

An analysis by the payments company Stripe shows there are thousands of solo operators on the company's platform that are generating over $1 million in revenue, with their ranks doubling between 2023 and 2025. The number of solo operators crossing the $10 million threshold nearly tripled in that same span.

In the past, people without business contacts or particular savvy might not have known how to get their ideas off the ground, said Ernie Tedeschi, Stripe's chief economist. "Now, AI can be a built-in business partner," he said.

AI's ability to handle various administrative tasks makes it potentially useful for launching solo businesses in many fields. But the technology's ability to also handle key tasks in tech, like coding, make that field a particular hot spot.

Analyzing Census Bureau data, Bank of America Institute economist Taylor Bowley found that among all industries, new business applications in the information sector have seen the biggest percentage increase—nearly 45%—over the past year. At the same time, the rate of information-sector applicants saying they plan to hire workers has experienced the sharpest decline of any measured industry.

This Census dataset doesn't track solo-operated businesses. But the numbers broadly show—in tech and beyond—that applications are flat among businesses likely to hire workers, but generally rising elsewhere. Economists say that is a strong sign that solo operators are on the upswing.

"The bar for getting started has never been lower," said Julian Weisser, who runs a San

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COLUMBIA PICTURES/EVERETT COLLECTION

Tom Holland's 'Spider-Man: Brand New Day' reinvigorated superhero movies with the year's biggest opening weekend.

Sony's Spidey Sense Pays Off Big

By Ben Fritz And Ryan Faughnder

Spider-Man spun a huge weekend for movie theaters, flouting superhero fatigue and giving a boost to Hollywood's summer box office.

Sony Pictures' "Spider-Man: Brand New Day" opened to an estimated $927 million in global box-office sales, making it the second-biggest film debut ever, according to the studio.

The movie's domestic opening of $355 million through Sunday is by far the largest launch of 2026. If estimates hold, the film's domestic weekend total will come in just shy of the record set by **Walt Disney**'s "Avengers: Endgame" in 2019. That picture grossed $357 million in its debut from the U.S. and Canada and went on to achieve a global gross of $2.8 billion.

The Spider-Man opening is a much-needed success for the superhero movie genre, which has been in a slump recently after dominating the box office in the 2010s.

Warner-owned DC Studios' "Supergirl" flopped in July, and Disney's Marvel Studios had several disappointments last year including "Thunderbolts" and "Captain America: Brave New World." Audiences, particularly younger ones, have grown skeptical of mega-franchises they once embraced.

But Spider-Man has been immune to that trend.

The character has propelled box-office hits since 2002's "Spider-Man," directed by Sam Raimi, set the template for the modern superhero blockbuster.

The previous live-action Spider-Man movie, 2021's "Spider-Man: No Way Home," is the second-highest-grossing Hollywood film of the decade, with $1.91 billion worldwide. Sony's animated "Across the Spider-Verse" grossed $690.8 million in 2023. And Disney's preschool cartoon "Spidey and His Amazing Friends" is a huge hit that helps create fans.

$927M

Estimated opening weekend haul for 'Brand New Day,' the second-highest ever

"Brand New Day" is a win for Sony, which keeps all the money the movie makes—after sharing revenue with theaters—under a licensing deal it signed in 1999 with then-struggling comic-book publisher Marvel.

Marvel, now owned by Disney, controls merchandise rights to the character, which typically get a boost from toy and other product sales thanks to a hit movie.

Marvel, which produced "Brand New Day" with Sony, also benefits because the film

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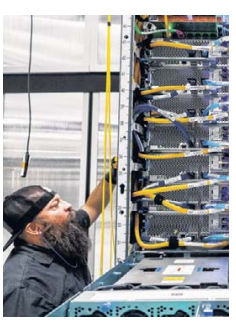
How JPMorgan tried to value FIFA's spinoff. **B3**



HEARD ON THE STREET
Wall Street thinks it knows how tech giants will profit from AI. **B9**

STREETWISE | By James Mackintosh

Stock Bubbles Don't Scare U.S.

Boom-bust cycles now happen in the blink of an eye. The memory-chip bubble inflated and popped, complete with wild volatility and an imploding hedge fund, in just four months. Trillions of dollars were created out of thin air and then eviscerated.

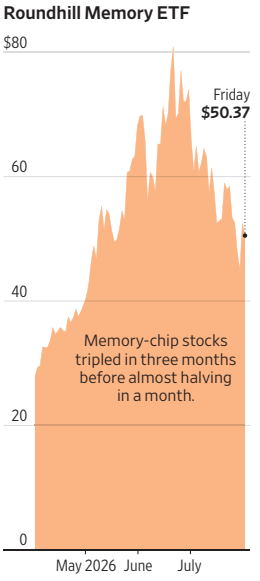
Here's the thing: For the rest of the market, it just didn't matter. The S&P 500 is only 1.6% below its record, and the equal-weighted version—a measure of the average of all stocks in the index—hit a new high last week.

Students of bubbles may shrug. The post-financial-crisis era of easy money has led to repeated booms and busts in small, and sometimes not-so-small, parts of the market in the past 15 years. None of them stopped its relentless rise.

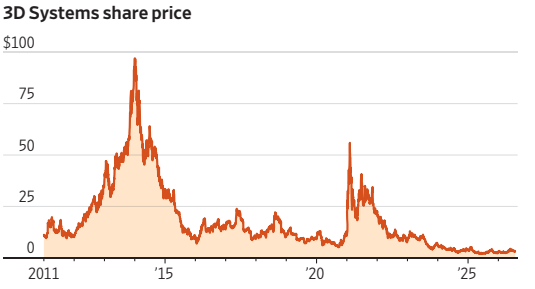
One day the bust will be the big one, and drag down the whole market. But for now, at least, the pullback in AI-related stocks has been almost completely offset by gains elsewhere.

Why do these mini (and in the case of semiconductors, not so mini) bubbles keep happening, and why aren't they more damaging?

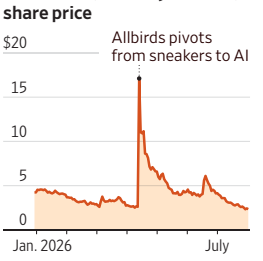
Roundhill Memory ETF



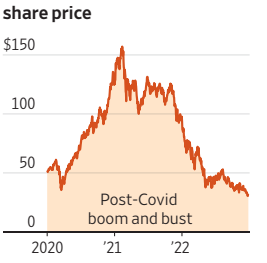
3D Systems share price



Smartbird (formerly Allbirds) share price



ARK Innovation ETF share price



Source: FactSet

A brief recap of the past dozen years in bubbles:

◆ 3-D printing (2014; loss from peak 93%)

◆ Anything China-related (2015; Chinese stocks lost 47%)

◆ Low volatility (2017-18; 92% loss in a day in one now-defunct listed vehicle)

◆ SPACs, clean energy, cannabis, space and crypto (2021; Ark Innovation ETF lost 81%)

◆ Tiny companies with AI hopes (2023, 2024, 2025, 2026; **Super Micro Computer** and Allbirds, renamed NewBird AI and now **Smartbird**, both down more than 85%)

◆ Crypto treasury stocks (2024-25; Strategy down 83%)

◆ Anything Donald Trump-related (2024 onwards; @DJT down 89%)

◆ Memory chips (**SK Hynix** dropped 55% before Friday's bounce)

My best guess on the reason for all these bubbles is a mix of easy money, the gambling instinct and hopes for new technology. These are

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OpenAI Surpasses One Billion Users

By Katherine Hamilton

OpenAI has more than one billion active users and two million businesses using its artificial-intelligence models.

The announcement comes after OpenAI said last week it was cutting the price of several of its models. It lowered the price of GPT-5.6 Luna by 80% and GPT-5.6 Terra by 20%.

"When the cost of useful intelligence falls, more work becomes worth doing," OpenAI said. "As adoption grows, we gain the revenue, real-world feedback, and visibility into demand to keep investing in the next generation of research and infrastructure."

OpenAI is racing to attract more users as it aims to keep up with fast-growing rivals, including Anthropic. OpenAI's ChatGPT is no longer the clear front-runner in the AI race, as Anthropic's private-market valuation is now higher.

Attracting users has become more difficult in recent months, as business customers have started to shy away from the high prices for AI use. OpenAI Chief Executive Sam Altman said earlier this year that costs had become an increasingly big issue among customers.

The company has been weighing price cuts for weeks as management worries about Anthropic lowering the cost of its Claude models, The Wall Street Journal reported in June.

Cutting prices could erode profit margins, even as the company is operating on a loss due to the billions it is spending to develop and advance its models.

Spider-Man Takes the Top Spot

Estimated Box-Office Figures, Through Sunday

	Film	Distributor	Sales, In Millions Weekend*	Cumulative	% Change
1.	**Spider-Man: Brand New Day**	Sony	$355	$355	-
2.	**The Odyssey**	Universal	$51	$396	-43
3.	**Toy Story 5**	Disney	$6.3	$462	-38
4.	**Minions & Monsters**	Universal	$5.8	$168	-41
5.	**Moana**	Disney	$5.3	$115	-50

*Friday, Saturday and Sunday in North American theaters Source: Comscore

Spider-Man Spins Huge Opening

Continued from page B1

helps to set up the story of its December team-up movie "Avengers: Doomsday."

"Brand New Day," which stars Tom Holland as the title character for the fourth time, is well positioned to surpass 2026's other blockbusters, such as Disney-Pixar's "Toy Story 5," Universal Pictures' "The Odyssey" and "The Super Mario Galaxy Movie," to be the biggest hit of the year.

Hollywood is having its best year in theaters since the Covid-19 pandemic. Movies have generated $6.2 billion in ticket sales in 2026 in the U.S. and Canada, up 15% from the same period of time last year, according to Rentrak.

This weekend alone produced $429 million in domestic box office revenue.

"Brand New Day" received largely positive reviews from critics, earning a 90% "fresh" score from Rotten Tomatoes. Audiences gave it an "A" grade, according to research firm CinemaScore.

Sony Pictures' motion picture group chairman Tom Rothman credited much of the recent Spider-Man movies' Gen Z appeal to Holland, who stars alongside his wife Zendaya.

In addition to its huge opening in the U.S., the movie took in $572 million from foreign markets. China led international markets for "Brand New Day," with $121 million.

Moderna's Loss Narrows; Stock Slips on Vaccine News

By Connor Hart

Moderna's stock fell 5.4% on Friday after it said a late-stage trial of its norovirus vaccine candidate didn't meet the criteria for early success in an interim analysis of trial data.

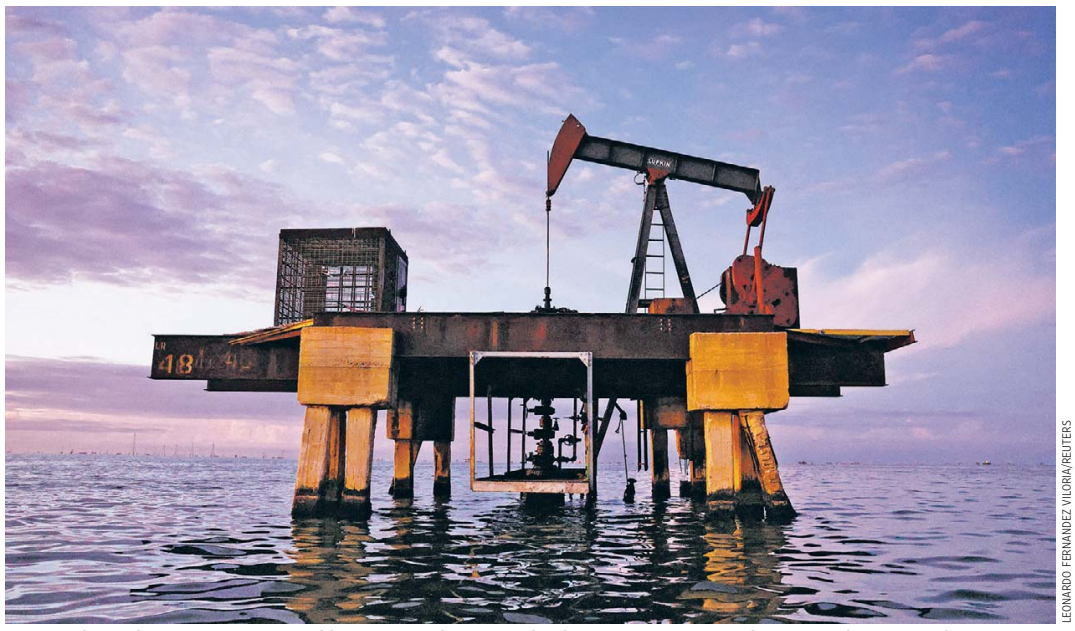
The Cambridge, Mass., biopharmaceutical company said it is working toward enrolling an additional cohort to the study. "The trial is ongoing and remains blinded as the company works toward enrolling an additional cohort," Moderna said.

The disclosure came as Moderna narrowed its loss in the second quarter as revenue climbed, boosted by deliveries made under a government contract in the U.K., and said it continues to expect revenue to grow 10% for the year.

The company is working to improve its financial profile, cutting costs from the business and issuing an improved operating expense outlook for the year. The company now expects its cost of sales for 2026 to be approximately $1.7 billion, down from a prior outlook of $1.8 billion.

Moderna posted a second-quarter loss of $782 million, compared with a loss of $825 million last year. The quarterly loss came out to $1.97 a share, ahead of analyst expectations for a loss of $2.03 a share, according to FactSet. Total revenue rose 2.1% to $145 million.

BUSINESS & FINANCE



LEONARDO FERNANDEZ VILORIA/REUTERS

Despite their reluctance to move quickly in Venezuela, many oil-industry executives say the potential prizes are huge.

Oil Giants Hit Wall in Venezuela

Continued from page B1

bidding processes, have requested U.S. officials intervene. So far, the administration has let the process play out without choosing any winners.

Some U.S. executives worry their long-term investments could be undermined by political instability and say PdVSA isn't in a position to assuage those fears, the people familiar with the talks say. In some cases, debt repayments, tied to the expropriation of their assets two decades ago under Hugo Chávez, have yet to be resolved.

White House spokeswoman Taylor Rogers said the Energy Department is "facilitating unprecedented investment in Venezuela to restore its energy infrastructure."

Despite their reluctance to move quickly in Venezuela, many executives say the potential prizes are huge, particularly for companies that typically drill in places that can pump oil for decades.

Among the sites Exxon, Chevron and others are studying most closely is the Carabobo oil region in the Orinoco Belt, the people said. The area has large reserves of heavy, viscous crude that U.S. refineries prefer over other kinds of oil.

In the state of Monagas, the companies are vying for access to two fields—one near the town of El Furrial and another near Punta de Mata—that produce a type of lighter crude that they could use as a diluent to blend with the heavier crude produced across Venezuela.

Exxon, whose CEO Darren Woods called Venezuela "uninvestable" in January, has run both hot and cold in Venezuela deal talks, the people said. The company pursued acquiring rights to several attractive fields but pulled back when Venezuela offered only a few of the fields it wanted to invest in, one of the people said.

Exxon has run into myriad challenges. It found damage to Cerro Negro, the project it operated before 2007 when its infrastructure was nationalized. Restarting the field is projected to cost billions of dollars.

Meanwhile, Chevron—the only U.S. oil major currently active in Venezuela—is advocating that the country keep pushing to create a more competitive landscape for foreign investments. It has boosted production to a record of nearly 300,000 barrels a day since Maduro's ouster but is doing so via efficiencies within its reach, rather than new billion-dollar investments.

In total, Venezuela's production climbed to 1.07 million barrels a day in June, up from 937,000 barrels on average last year, according to the Organization of the Petroleum Exporting Countries. It peaked at 3.4 million barrels a day in 1998, according to Rice University's Baker Institute for Public Policy.

Senior Trump administration officials say they still believe major oil companies will play an important role in boosting Venezuela's production long term. Meanwhile, though, they are turning their attention to a group of smaller private companies that they think can get oil pumping more quickly.

Negotiations are being led by state-run Petróleos de Venezuela.

Some of those are companies led by allies of Trump, such as billionaires Harold Hamm, Jeff Hildebrand and Ross Perot Jr. Perot's HKN Energy signed a preliminary deal to invest in Venezuela, as did closely held Hunt Oil and Crossover Energy.

For Venezuela's interim government, those wildcatters are seen as being able to offer what it needs most: quick access to cash.

Administration officials seem "open to the idea that anyone who wants to do it should do it," said Schreiner Parker, an analyst at consulting firm Rystad Energy. "The issue is these Orinoco Belt heavy oil projects are like deep-water developments. They are capital intensive and require long-term planning, and an ability to hold your breath for a while."

PdVSA recently circulated among industry participants a list of two dozen production-sharing agreements it was deliberating with foreign oil companies, said a person close to the situation.

Such deals are more attractive to smaller wildcatters than big oil companies, which are more interested in securing reserves.

Among those on the list was Pacific Coast Energy, a little-known California firm that invests in mature onshore fields. The arrangement would give Pacific Coast Energy access to several oil fields, including some identified as among the country's most prized, the person said.

For big oil companies, the past still looms large. Exxon and **ConocoPhillips** sued Venezuela after the country nationalized their assets. Conoco is still seeking $12 billion in restitution; Exxon, $1 billion. Venezuela also nationalized Exxon's assets there in 1976.

"They have been burned twice," said Francisco Monaldi, director of the Latin America energy program at the Baker Institute. "I imagine this getting to the board and people saying, 'Didn't we learn our lesson here?' The only way management can sell this is if, you know, you're getting the asset that nobody thought they could get."

These Founders Go It Alone

Continued from page B1

Francisco-based accelerator for solo founders working in tech. The accelerator—which offers founders seed money and mentorship in exchange for an equity stake—attracted 4,500 applicants for 10 slots made available in its most recent cycle, nearly five times the number it drew when it launched last May.

Going it alone with AI can still be surprisingly expensive. Broca said he was losing money on many customers' accounts while paying to access Anthropic's Claude to run his clients' requests—that AI company, as well as others, charges based on usage. He has since switched to free open-source AI models from China. Broca said he has raised $30 million from investors and, at the same time, has saved millions in salary since he hasn't needed a team of software engineers.

Another risk: If it's easy for one entrepreneur to launch an AI-assisted business, copying them can be easy, too. This creates anxiety for founders like Troy Johnston, who runs an AI-assisted business alone in Orlando, Fla.

"Everybody has the sword and we all have the ability to unsheathe Excalibur now," said Johnston, 40, who used AI to code an app that helps people get the most out of credit card benefits. The company makes around $3,000 a month in profit, with no employees, and is continuing to grow.

What one-person businesses will mean for the labor market remains to be seen. Polling has shown Americans are worried that AI will replace jobs, and top economists are wrestling with that possibility, too. But AI is also creating lots of new jobs, and the go-it-alone entrepreneurs show how the technology can both open doors and limit employment opportunities.

"If everyone's hiring less, but you get four times more firms, what does that do to head count?" said Rembrand Koning, an associate professor at Harvard Business School who studies entrepreneurship. He co-authored a recent study that found that among 50,000 startups the researchers examined, those focused on AI tended to operate with 25% fewer employees.

Koning also believes a soft hiring environment that has left some people mired in long job searches has encouraged more to try their hand at launching businesses.

Some founders cite different motives. "It's a perfect storm of postpandemic burnout and a re-evaluation of one's priorities, and also booming AI and a sense of what's possible," said Samir Ahmad, 39, who lives in Breinigsville, Pa.

Two years ago, Ahmad decided to leave the corporate job he had worked at Verizon for almost two decades to start a solo coaching and consulting business.

He had been seeing social-media posts touting the ease and virtues of AI, which he used to chart a business plan and help with marketing. "It was like my chief of staff, a second in command," he said.

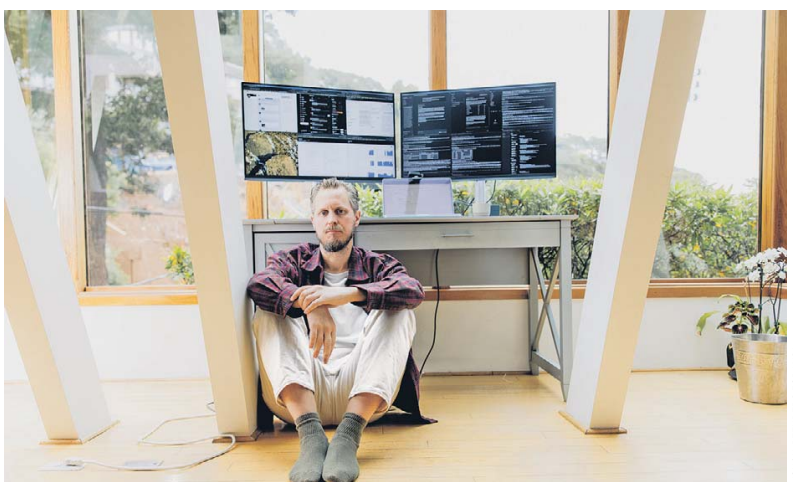
The business ultimately petered out within months, though, and Ahmad is now back to a full-time corporate role with a utility company.

For Claire Vo, 41, AI helped her turn a passing impulse into a business. She was working full time as a tech executive when she tapped AI in late 2023 to help code an app that would help her manage documentation and design for new products, with customers ranging from financial services to healthcare firms.

"I was copying and pasting from ChatGPT," said Vo, who lives in San Francisco.

She put the app online for $1 a month, and within weeks people downloaded it thousands of times. Nearly three years later, Vo's company—which she ran solo for nine months before hiring an engineer—now has 100,000 users and is on track to make seven figures in profit this year. AI handles the company's marketing, sales and customer support.

While AI is a shortcut, Vo said her network and credibility in the industry were key. "I think people over-index on how easy AI is and under-index on how much I did to get to this point," she said.



JONAH REENDERS FOR WSJ

Ben Broca runs his company solo—with help from AI—from his living room in Sausalito, Calif.

New business formations for the information sector, three-month moving average

Note: Seasonally adjusted
Source: Census Bureau

How JPMorgan Tried to Put A Value on a FIFA Spinoff

Bank presentation said soccer authority could double its players, competitions

By Gina Heeb And Joshua Robinson

PABLO PORCUNCULA/AFP/GETTY IMAGES

Gianni Infantino's FIFA pulled the plug on the plan last week after it sparked a backlash.

JPMorgan Chase is in the crosshairs of the soccer world over its role in FIFA's now-canceled attempt to create a spinoff that had European countries planning to boycott the World Cup and other competitions.

The largest U.S. bank was brought in to value the venture early this year, when it was already well under way. FIFA President Gianni Infantino had held conversations about it as far back as at least last year with Joshua Kushner, the brother of Jared Kushner, a son-in-law of President Trump, The Wall Street Journal previously reported.

The plan was kept secret for months and caught executives by surprise when it finally leaked out last Tuesday, sparking an immediate backlash. FIFA had expected to present the proposal materials to members last week before the details emerged. It had earlier considered whether to do so near the conclusion of the World Cup in New York, but ultimately decided to delay it, a person familiar with the matter said.

FIFA announced the plan was dead on Friday night.

The idea was to create a new entity holding the commercial rights of FIFA's most popular competitions and sell a 20% stake in that entity, at a $20 billion valuation, to private investors.

The spinoff would have streamlined decisions, given priority to high-yield partnerships, attracted experienced talent and improved access to capital, according to a pitch deck that JPMorgan helped prepare for FIFA, which was viewed by the Journal.

The deck estimated that the deal would have delivered millions of dollars to FIFA's members, allowing them to invest heavily in growth. That could have paved the way for FIFA to have 650,000 players between 2027 and 2030 and 450 competitions, including for women's and youth programs, both more than double the current number. It said that FIFA had been undermonetized compared with other sports leagues.

Executives were caught by surprise when news of the plan leaked last week.

"This model has been hugely successful in other sports," the deck said.

UEFA, which governs European soccer, was swift to reject the deal and said none of its national teams would participate in any FIFA competition "for so long as these proposals remain alive."

Infantino has long sought to curry favor with Trump. When FIFA awarded Trump a peace prize, Infantino wrote in a social-media post that the president had carried out "exceptional and extraordinary actions to promote peace and unity around the world."

Trump "can always count on my support, and on the support of the entire football community, to help make peace and prosperity all over the world," he wrote.

Last week, Trump told reporters he didn't speak to Infantino about the FIFA deal.

Privately, rival bank executives were quick to say that JPMorgan had been caught again in soccer hell, after the bank apologized over its involvement in the 2021 European Super League that blew up within 48 hours.

Then, JPMorgan pledged around $4 billion of financing to get the new Super League off the ground. It worked with 12 clubs, including Manchester United, Barcelona and Juventus.

"We clearly misjudged how this deal would be viewed by the wider football community and how it might impact them in the future," a spokesman for the bank said then. "We will learn from this."

At JPMorgan, the view was that the FIFA deal was different from Super League, in part because it wasn't intended to change the competition, a person familiar with the matter said.

The pitch deck said FIFA would retain "sole control and exclusive authority" over governance, competitions, regulatory and sports decisions "in any future scenario."

WestJet Strike Grounds Flights Across Canada

By Amanda Coletta

TORONTO—Flight attendants at **WestJet**, Canada's second-largest airline, walked off the job on Sunday after failing to reach an agreement with the carrier, grounding hundreds of flights during a long weekend in much of the country.

Talks between the airline and the Canadian Union of Public Employees, which represents 4,400 flight attendants, stalled late Saturday. The flight attendants are seeking an increase in wages and compensation for the work they do on the ground before and after flights take off and land, known as boarding pay and ground pay.

WestJet said that it had canceled more than 300 flights as of early Sunday and that it would refund passengers or try to rebook them on the next available flight to their destination, including on flights operated by other airlines.

The strike prevents the airline, which flies to more than 100 destinations around the world, from flying its Boeing 737 and 787 aircraft.

"We presented a proposal that would have set a new standard for cabin crew in Canada, making WestJet the only airline to offer an hourly rate covering all time before and after flights, plus a double-digit wage increase in year one among other priorities the union raised," CEO Alexis von Hoensbroech said in a statement. "Unfortunately, it wasn't accepted."

Alia Hussain, president of CUPE 8125, said the airline's offer didn't go far enough and urged the federal government to refrain from interfering in the labor dispute.

"We are on strike because we believe we deserve better," Hussain said in a statement. "We would not be here if they had taken our concerns seriously for almost eleven months of bargaining."

Patty Hajdu, Canada's minister of jobs and families, said in a statement that the strike was "disappointing." She didn't say whether the government planned to intervene.

"Our top mediators have been working with CUPE and WestJet around the clock and remain available to help them reach a deal as soon as possible," Hajdu said.

WestJet cabin crew issued a 72-hour strike notice on Thursday. The airline issued a lockout notice in response.

ARLYN MCADOREY/BLOOMBERG NEWS

WestJet said it had canceled more than 300 flights.

Several U.S. airlines, including **Delta Air Lines** and American Airlines, have started to pay flight attendants for their boarding-time work in recent years as their unions have pushed for the compensation.

Last summer, a labor dispute over the same issue led some 10,000 flight attendants at **Air Canada**, the country's national carrier, to strike.

The federal government imposed binding arbitration on the airline and its flight attendants, and the flight attendants won some ground pay.

Steel Union's New Leader Has Never Worked in a Mill

By Bob Tita

Roxanne Brown's journey to leading the United Steelworkers union didn't start in the heat and deafening noise of a steel mill.

Instead, she spent more than two decades in Washington, D.C., advocating for the union's policy priorities on trade, domestic manufacturing and workers' rights.

That experience is due to come in handy, people around Brown say, now that the modern USW covers a spectrum of 850,000 cradle-to-grave workers from maternity nurses to casket makers.

"We're all interconnected," said Brown, 47 years old, who earlier this year became the first woman and the first Black person to lead the USW. "Our members in healthcare understand that if a steel mill goes down, it's not just the jobs in that steel mill that are impacted. The loss of tax base and economic activity from those jobs will impact the hospital funding."

Brown's one-for-all messaging to USW members is already being tested.

More than 800 union workers have been locked out of oil company **BP**'s Whiting, Ind., refinery since March after rejecting the company's contract offer. The union last week began new contract negotiations with steelmakers **Cleveland-Cliffs** and U.S. Steel, whose Northwest Indiana mills are nearly next door to BP's refinery.

Brown's priorities include halting further job losses and plant closings at the companies and preserving benefits, particularly fully paid health insurance coverage for union workers.

REBECCA KIGER FOR WSJ

Roxanne Brown spent more than two decades in Washington advocating for the United Steelworkers union's policy priorities.

A new owner

The negotiations are the union's first with U.S. Steel's new owner, **Nippon Steel**. Brown's predecessor, Dave McCall, opposed last year's $14.1 billion purchase, saying Nippon Steel shouldn't be trusted to maintain U.S. Steel's plants.

The union's attitude toward Nippon Steel has evolved considerably. The Tokyo-based company committed $11 billion to upgrade existing plants in exchange for the Trump administration's approval of the purchase.

The investment will likely keep unionized plants in Gary, Ind., and near Pittsburgh in service for decades longer. Union negotiators are expected to press the company to commit to more spending at unionized plants.

During the last negotiations in 2022, U.S. Steel's acquisition of a nonunion steel mill in Arkansas was a sore spot for the union that lingered for years. This time around, Brown said she has had productive discussions with U.S. Steel Chief Executive David Burritt—who engineered that deal—and Nippon Steel Vice Chairman Takahiro Mori, who had a fraught relationship with McCall.

"That's lived history. That's done," she said of the union's opposition to the sale. "Nippon Steel now owns U.S. Steel. What serves us now is bargaining a good contract."

Burritt said he considers Brown "a breath of fresh air" for the union's relationship with U.S. Steel.

"I'm really happy to work with her," he said in an interview. "We don't have to agree on everything. When we disagree, we're going to get things on the table."

Unanimous choice

U.S. Steel and Cleveland-Cliffs are the largest unionized steel companies in the U.S., with about 20,000 USW members—down from more than 30,000 workers eight years ago.

As the union seeks to claw back jobs, Brown was the unanimous choice of its executive committee to lead. She has so far avoided the high profile of more bombastic labor leaders like the United Auto Workers' Shawn Fain or Sara Nelson of the Association of Flight Attendants-CWA. Some U.S. Steel workers who backed Nippon Steel's purchase of the company still feel estranged from the union's leadership more than a year after the sale.

"She's going to have to get the trust of the steelworkers," said Richard Tikey, a union local vice president at the coking coal plant for U.S. Steel's Mon Valley Works south of Pittsburgh. He said the union should have pushed for additional benefits or a new contract during the sale process. "The union had more leverage then," Tikey said.

U.S. Steel's initial proposal included an 18.2% pay increase over five years and a $4,000 contract bonus, but would implement employee copays for health insurance.

Union negotiators said this was insufficient. They are slated to counter this month.

The union is expected to push to pause additional plant closings, starting with U.S. Steel's Granite City, Ill., mill. That mill started making steel again this year after sitting idle since 2023 but could still close in 2027 under Nippon Steel's agreement with the federal government. About 1,200 people now work at the plant.

"Every expectation we have is for those jobs to continue into the future," Brown said. "It's what the members are banking on."

A change in tone

Colleagues describe Brown as charismatic and intelligent. She brings a change in tone compared with her grizzled predecessors, like Leo Gerard, the union's longest-serving president.

"Leo used to tell me, 'Kid, I have boots older than you,' " Brown said.

"She really relates so well to our members and understands the needs of our members and their desire for security," Brown's predecessor McCall said. "I don't think there was any question on the executive board who ought to be the union's 10th international president."

Her own life reflects a changing American workforce once dominated by men.

Brown was born in Kingston, Jamaica, and came to the U.S. when she was 2 years old. She and her brother were raised by her mother and aunt in White Plains, N.Y. Her mother worked as a nurse at Lincoln Hospital in the Bronx, where she belonged to a union, and her aunt was a union member at Westchester Medical Center.

"I was raised by strong, single women in my family. My husband calls them the generals," Brown said.

She wanted to be a lawyer and enrolled in Howard University, but dropped out when she ran out of money. In need of a job, the 19-year-old Brown applied for a clerical position at the union's Washington, office. She joined the staff in early 1999, answering phones and doing data entry.

Brown later moved into lobbying and union policy. She witnessed the collapse of the unionized steel industry in the early 2000s, when more than two dozen companies filed for bankruptcy under the weight of huge pension obligations and low steel prices.

The decline cost the union tens of thousands of jobs and allowed nonunion companies with newer, lower-cost mills to dominate the industry.

Attempted recovery

In the aftermath, Brown worked on the Blue Green Alliance between the USW and environmental groups that aimed to align manufacturers with environmentally sustainable industries. She spent years advocating for tax credits for investments in job creation, renewable energy and the related supply chain. Many of the alliance's policy tenets were rolled into 2022's Inflation Reduction Act.

Today, the market for domestic steel is the strongest since the manufacturing frenzy that followed the Covid-19 pandemic. Union members say they expect company negotiators will try to avoid drawn-out bargaining that would create uncertainty for customers.

"Because it's the first contract with Nippon Steel, they'd like to have a quick signing and smooth transition," said Andrew Macey, a worker at Mon Valley's coke plant.

Videogamers Can Crowdfund Solar Farm

New PlayStation service offered by startup wants to mine benefactors

By Clara Hudson

In terms of their energy use, videogames in the U.S. are estimated to produce more greenhouse gases every year than five million cars. A group of former gaming executives say they want to atone for damage the industry has caused the environment.

They are offering the gaming community the chance to collectively power clean-energy projects through a new PlayStation service that costs $34.99 a year, or $3.99 a month. Members pay for rewards—such as a deal on a new outfit for a golfing avatar, or a cowboy hat for PGA Tour—and in turn, the executives commit to paying for renewable energy.

"I'm old—I've been around the gaming industry for a while, and now I'm helping to clean up one of my messes," Rich Hilleman, a former **Electronic Arts** executive, said of the industry's power consumption.

Hilleman, along with a former Xbox executive, cofounded CleanPlay, a San Francisco-based climate-tech startup. It operates a rewards program for gamers called SuperPower that is essentially a version of clean-energy crowdfunding.

EVER.GREEN (2)

CleanPlay's Rich Hilleman, third left, took part in a ribbon-cutting ceremony at ThreeW, which runs a solar project in Hill County, Texas.

Power play

The company has a new deal to help power ThreeW, a solar project in Hill County, Texas, near Dallas. The program works like this: CleanPlay committed to funding a slice of ThreeW's solar-energy output for 10 years at a set price. Instead of receiving the actual electricity, the gaming company gets renewable-energy certificates, and each member's share is recorded commensurate to the amount of power the company estimates they use**.**

ThreeW, which recently began commercial operations, sends the power, at market price, straight to the local power grid, in this case Ercot, the Texas grid operator. The companies later settle up any differences between the fixed contract price and Ercot market prices.

CleanPlay, which can be found on the PlayStation store, makes money off the initial gamer's fee. It also plans to sell some of the energy certificates to businesses that want to burnish their green credentials. The certificates are a financial instrument that lets companies say they paid for clean electricity from the grid. In the U.S., they have long been the cheapest and most common way of procuring green power.

"We saw the potential to turn the vast videogaming community into an engine for renewable energy," said Hilleman, who was one of EA's first employees and is known in part for creating Madden Football, one of the top-selling sports videogames ever.

"The average videogame customer in America is closing in on 40 years old—we are not a bunch of 15-year-olds eating Doritos in the basement anymore," he said.

Computer parts have to work hard to power sessions for the more than three billion people who play videogames, creating often-intricate worlds displayed on large monitors**.** A PlayStation 5 consumes about one megawatt-hour of electricity per 5,000 gaming hours, CleanPlay estimates. That is equivalent to the energy needed to power hundreds of homes.

SuperPower, which launched in 2024, says more than 50,000 members have used its rewards services through its various offerings. A free service, for instance, allows members to earn rewards for uploading details about their home-energy setup. Aside from the accessories, SuperPower subscribers can get other perks including in-game virtual currency.

Mike Demopoulos, a 40-year-old gamer in Minnesota who works in web hosting and has a Pac-Man tattoo, subscribed to SuperPower soon after reading about the clean-energy initiative.

"The reason I opted in wasn't for the rewards, which are nice, it was literally to support the project," Demopoulos said. "And for a relatively small amount of money, I can make a little bit of a difference."

Global push

Public support for renewable energy has waned in the U.S. in recent years, while the Trump administration has attempted to reel in the industry, shutting down solar and wind projects, among other moves. Yet there remains a strong push across the globe to offer more energy diversity, particularly as the Iran war wreaks havoc with oil prices.

ThreeW, which is expected to generate about 280,000 megawatts of clean energy a year, was developed by a Houston-based subsidiary of **Mitsui**, a Japanese company in which **Berkshire Hathaway** has a significant stake. CleanPlay said Ever.green, a clean-energy marketplace that is retiring the renewable-energy credits, pointed it to ThreeW and helped facilitate the deal.

Hilleman said the backing from Mitsui and Berkshire made him especially confident that ThreeW was the right project because of their financial might—particularly as he knew players would be scrutinizing the arrangement.

"There's the court of law and then there's Reddit—and I have to survive in Reddit," he said.

The low lift for gamers to sign up is what makes the initiative particularly appealing, Demopoulos said.

"Giving people an option that's just an easy button, at least for me, it's easier than asking me to unplug my PS5 every time I'm done using it," Demopoulos said.

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CLASS ACTION

If you publicly traded stock or call options, or purchased the put options, of Twitter, Inc. from May 13, 2022, through October 4, 2022, you could be entitled to payment from a class action verdict.

You are potentially entitled to a payment from a verdict in a class action lawsuit against Elon Musk ("Defendant") in the case of *Pampena v. Elon R. Musk*, Case No 3:22-CV-05937-CRB. A two-week trial began on March 2, 2026, in the United States District Court, Northern District of California, San Francisco Division. On March 20, 2026, the jury returned a verdict and found that defendant Elon Musk violated the federal securities laws by making a false and misleading statement about his acquisition of Twitter and that Musk did so in violation of Section 10(b) of the Securities Exchange Act of 1934. As a result of this fraudulent conduct, the jury determined that Twitter's stock price was artificially deflated between May 13, 2022 and October 4, 2022 (inclusive). **If you are a Class Member, the verdict entitles you to submit a Claim Form for the full value of your damages plus interest.**

Am I a member of the Class?

The Class is defined as follows:

All persons and entities who sold the publicly traded stock or call options, or purchased the put options, of Twitter, Inc. during the period from May 13, 2022 through October 4, 2022, both dates inclusive, and who suffered damages by Defendant's violations of § 10(b) and of the Exchange Act.

Excluded from the Class are Elon Musk and any individuals who previously opted out of this Litigation.

How much money are Class Members entitled to receive?

If you are a member of the Class, you can submit a Claim Form online or postmarked by **November 24, 2026**, for the following:

Shares Sold: For shares sold between May 13, 2022, and October 4, 2022, damages were awarded for each trading day as reflected in the verdict, plus interest, with the exception of certain purchases and sales.

Options: For put options purchased or call options sold between May 13, 2022 and October 4, 2022, damages were awarded for each trading day as reflected in the verdict, plus interest, with the exception of certain purchases and sales.

Purchases and Subsequent Sales Made During the Class Period: For purchases and related sales made during the Class Period, the damages per share or per option awarded by the jury for that day may be reduced to account for any gains attributable to deflation for any shares or call options purchased and any inflation for any put options sold during the Class Period.

How much might a payment be?

If you submit a valid Claim Form, your payment will depend on a variety of factors including the number of shares sold and options purchased or sold and the corresponding damages awarded by the jury plus interest. However, any final award may be proportionally reduced to account for any attorneys' fees, expenses, or service awards awarded by the Court.

Here is an example of how a valid claimant's damages would be calculated:

If you purchased 1,000 Twitter shares any time before May 13, 2022, and sold those shares on May 18, 2022, your damages would equal $7,940.00 (1,000 shares x $7.94, as awarded by the jury for May 18, 2022) plus interest (less any Court approved deductions).

What are my rights as a Class Member?

Unless you previously requested to be excluded from the Class, you are bound by all decisions and judgments in the Litigation. You must submit a Claim Form to collect for any damages you suffered. You may do nothing at all and not submit a Claim Form. If you choose that option, you will not recover anything, but you are and will be bound by any judgments entered by the Court. You may not opt out of this Litigation at this time.

Where to get more information?

For more detailed statements of the matters involved in this Litigation, please see the pleadings and other papers filed with the Court. The operative Complaint, Jury Verdict and other important filings may be accessed at www.TwitterAcquisitionLitigation.com. Court filings in the Litigation can also be examined and copied at any time on the Public Access to Court Electronic Records (PACER) website for a fee at https://ecf.cand.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102-3489 between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

Inquiries, other than requests for the Long-Form Notice, may be made to Lead Counsel **COTCHETT, PITRE & McCARTHY LLP**, www.cpmlegal.com, (650) 697-6000, TwitterInquiries@cpmlegal.com and **BOTTINI & BOTTINI, INC.**, www.bottinilaw.com, (858) 914-2001, fbottini@bottinilaw.com.

Results Are Dividing Tech Stocks

Continued from page B1

Amazon reported accelerating sales in its cloud computing business, the stock surged 15% in Friday's trading. Meanwhile, shares of Apple slumped 7.4% after the iPhone maker's forecast for its September quarter fell short of Wall Street's expectations.

Traders issued a similar verdict exactly one day earlier, sending shares of **Meta Platforms** 8% lower following the Facebook parent's projections that its free cash flow would turn negative in the second half of the year. On the other hand, Microsoft's stock jumped 16%. That boosted the company's market capitalization by some $450 billion, marking the biggest one-day leap in market value for any U.S. company on record.

After months of growing concern aimed at the hundreds of billions that tech companies are spending—and borrowing—to finance the AI infrastructure build-out, shareholders are starting to demand some evidence of returns on that investment, Fernandez said.

"Investors are tired of saying 'We're going to give you the benefit of the doubt,'" she said. "They're losing their patience. They want proof." Those firms that fall short are seeing their stocks punished, she noted.

The update that the so-called hyperscalers were still spending big on the AI build-out benefited hard-hit shares of chip makers, memory suppliers and other "picks and shovels" plays during the week. The PHLX Semiconductor Index eked out a gain on Friday, though the benchmark is still down some 21% for July.

JASON HENRY FOR WSJ

Microsoft's results last week sent it to the largest one-day market-cap gain for any U.S. company yet.

Another dizzying market move came in the wake of Fed chairman Kevin Warsh's second postmeeting news conference on Wednesday, which sparked furious selling in stocks and bonds. After policymakers at the central bank opted to hold interest rates steady, Warsh seemed to imply that a near-term rate increase might not be needed.

Instead, the chairman implied, higher bond yields have already done some of the Fed's work for them.

Bond traders reacted by firing a kind of warning shot. The yield on the 30-year U.S. Treasury bond climbed to its highest levels in 19 years, a sign that Wall Street is unconvinced the new Fed leader is committed to wrangling inflation.

That bond selloff picked up new momentum on Friday, with the 10-year Treasury yield advancing to an 18-month high. Yields climbed across maturities.

Warsh is considering reducing the frequency of policy meetings at the Fed, which would mark a substantial shift in operations and reduce the number of occasions on which the bank's meetings are the main focus of markets.

A sustained climb in bond yields would lift the cost of capital for businesses and consumers, slow the economy and likely drag on stocks. To make matters worse, tensions in the Middle East are still threatening to lift oil prices, amping up inflationary threats.

Even as yields climb and AI skepticism lingers, the bull market has a sturdy tailwind. The S&P 500's overall earnings growth rate—blending projections with the results that are already in—is some 47%. That is the highest level in more than five years, and analysts are still lifting their estimates for next quarter.

Analysts at Goldman Sachs on Friday noted that drawdowns are common after the kind of meteoric gains that hit memory stocks earlier in the year. And while AI spending has surged at Amazon, Alphabet, Meta and Microsoft, analysts now expect revenue for that group to grow at an annualized rate of 18% over the next two years.

"There's a lot of health in the market under the surface, but I think it's all lost in this AI narrative," said Joseph Zappia, co-chief investment officer at LVW Advisors.

"We're in an economic expansion. The question is how long it will go, and at what point it has gone too far," he said. "I'm not seeing many indications that we're there."

A Study in AI: The Mystery Over a Novel's Authenticity

Publishers fought for debut crime thriller before agent pulled support for the book

By Melissa Korn

JOHN KEEBLE/GETTY IMAGES

A Macmillan imprint won an auction for a book that since raised concerns about the use of AI.

The crime novel "Call Me, I'll Hide the Body" rose—and fell—with astonishing speed.

A book agent, Marc Gerald, said he signed its author, Jerry Falade, about a month ago, after reading a copy of the unsolicited manuscript. He flew to Dallas to meet Falade, a graduate student at Southern Methodist University, and the proposal for the debut book was sent to publishers and Hollywood representatives a few days later.

"You just had to read the cover letter and chapter to know this was a really fantastic book," said Gerald, the founder of Europa Content, a boutique literary agency whose roster includes Mel Robbins, Eminem and other major names.

Fourteen publishers bid for the U.S. rights, and Macmillan's Minotaur Books imprint won the frenzied auction. It signed Falade to a two-book deal valued at more than $2 million, according to trade publications. HarperCollins Publishers landed the U.K. rights.

Soon after the deals closed, Europa notified the publishers in a letter that it could no longer support the book after concerns were raised about the author's possible AI use.

"This raises so many questions about authorship and what AI means for this industry but those are questions for another day," the letter said. "We regret that our enthusiasm led to this outcome and we apologize to our publishing partners."

Reached on Friday, Falade declined to comment.

It is the latest in a string of AI scandals to rock the book-publishing industry, which is struggling to navigate what authors' and editors' use of the technology might mean for copyright ownership; how to screen for AI use; and whether to trust writers' claims that their work actually is their own.

Hachette Book Group canceled the publication of the horror novel "Shy Girl" earlier this year after learning of concerns about its potential reliance on AI. Allegations of undisclosed AI use have been leveled against the author of this year's Commonwealth Short Story Prize winner.

A spokeswoman for Macmillan said that the publisher participated in an auction for "Call Me, I'll Hide the Body" and that "the agent ultimately pulled the book." She didn't respond to a request for comment on the current status of Minotaur's book deal with Falade. A spokeswoman for HarperCollins, which like The Wall Street Journal is owned by **News Corp**, had no comment on the status of its book deal.

> **The publishing industry is struggling to weigh the impact of AI.**

Gerald said that before the auction, one editor who read the "Call Me, I'll Hide the Body" proposal expressed concern about possible AI use, flagging passages in which the tone and cadence raised questions.

The agency then spoke with Falade for about an hour, Gerald said, asking questions about the author's writing process and the text, and warning Falade of the repercussions of not disclosing any use of AI when asked to share such information. "He assuaged our concerns, and we moved on," Gerald said.

After the deals closed, Gerald said he heard from a reporter at a trade publication that there were rumors brewing about the book's leaning heavily on AI. Gerald again spoke to Falade, he said, and the answers this time didn't match up with the author's prior explanations.

"Initially, we stood by the book and Jerry," Gerald said. "And ultimately we could only stand by the book."

He no longer represents Falade, but doesn't doubt the author's talent.

"We do know that he's an incredibly gifted storyteller and this is an incredible book," Gerald said.

THE TICKER
EVENTS COMING THIS WEEK

Monday

Construction spending
May, previous up 0.1%
June, expected up 0.3%

ISM mfg. index
June, previous 53.3
Jul., expected 54

Earnings expected
Estimate/Year Ago
Diamondback Energy **6.08**/2.67
Marriott International **3.08**/2.65
ONEOK 1.46/1.34
Palantir Technologies **0.34**/0.16
Vertex Pharmaceuticals **4.73**/4.52
Williams Cos. **0.50**/0.46

Tuesday

Factory orders
May, previous down 1.3%
June, expected up 0.3%

Int'l trade deficit in billions
May, previous $77.58B
June, expected $73.0B

Earnings expected
Estimate/Year Ago
Advanced Micro Devices **1.62**/0.48
Amgen **5.62**/6.02
Arista Networks **0.89**/0.73
Caterpillar **6.22**/4.72
McDonald's **3.32**/3.19
Merck **(0.27)**/2.13
Space Exploration Technologies **(0.23)**/ n.a.

Wednesday

EIA status report
Previous change in stocks in millions of barrels
Crude-oil stocks down 7.2
Gasoline stocks 0.0
Distillates up 1.1

Mort. bankers indexes
Purch., previous down 4%
Refinan., prev. down 10%

Earnings expected
Estimate/Year Ago
Eli Lilly **6.01**/6.31
Sandisk **34.67**/0.29
Shopify **0.40**/0.35
Uber Technologies **0.81**/0.63
Walt Disney **1.86**/1.61
Western Digital **3.30**/1.66

Thursday

Initial jobless claims
Previous 197,000
Expected 200,000

Unit labor costs
1st qtr., prev. up 1.8%
2nd qtr. prelim., exp. up 2.0%

Productivity
1st qtr., prev. up 0.3%
2nd qtr. prelim., exp. up 0.7%

Wholesale inventories
May, previous up 0.1%
June, expected n.a.

Freddie Mac mortgage survey
Previous weekly averages
30-year fixed 6.66%
15-year fixed 6.04%

EIA report: natural gas
Previous change in stocks in billions of cubic feet
up 28

Earnings expected
Estimate/Year Ago
Cloudflare **0.27**/0.21
ConocoPhillips **2.90**/1.42
Constellation Energy **2.34**/1.91
Datadog **0.58**/0.46
Howmet Aerospace **1.24**/0.91
Parker-Hannifin **8.27**/7.69

Friday

Nonfarm payrolls
June, previous 57,000
Jul., expected 85,000

Unemployment rate
June, previous 4.20%
July, expected 4.30%

Consumer Credit
May, previous down $0.2 bil.
June, expected up $12.0 bil.

Earnings expected
Estimate/Year Ago
Fluor **0.70**/0.43
Oklo **(0.16)**/(0.18)
Plains All American Pipeline **0.40**/0.36
PPL **0.34**/0.32
Take-Two Interactive Software **0.33**/0.61
Vistra **1.69**/0.81

ETHAN NOAH ROY/BLOOMBERG NEWS

Disneyland in Anaheim, Calif. Disney reports Wednesday.

DOW JONES ENERGY

Dow Jones Energy Forum

Energy security now sits at the center of economic and corporate strategy. The Dow Jones Energy Forum will bring together policymakers, energy leaders, investors and geopolitical experts to examine the forces reshaping energy markets, supply chains and investment worldwide.

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OCTOBER 21, 2026
NEW YORK, NY

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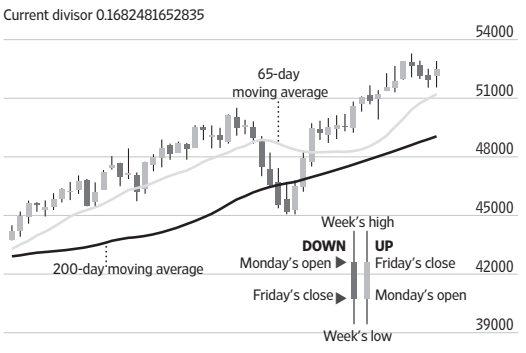
MARKETS DIGEST

Dow Jones Industrial Average

52485.03 ▲537.78, or 1.04% last week
High, low, open and close for each of the past 52 weeks

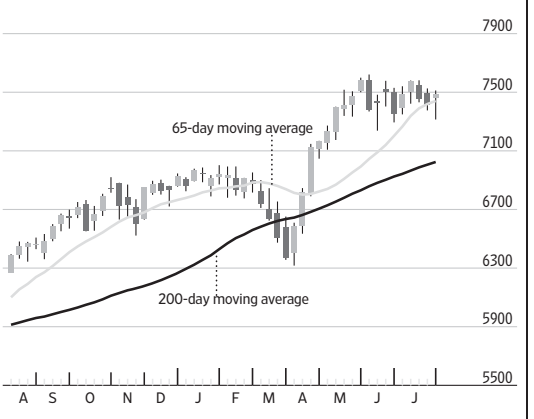
	Last	Year ago
Trailing P/E ratio	21.90	24.08
P/E estimate *	20.29	21.10
Dividend yield	1.49	1.67
All-time high	53055.91, 07/06/26	



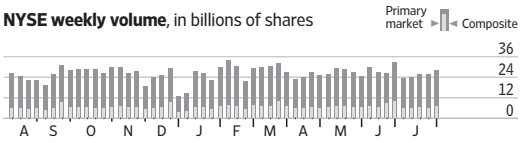
S&P 500 Index

7489.72 ▲77.74, or 1.05% last week
High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio *	25.19	24.81
P/E estimate *	21.01	23.82
Dividend yield *	1.10	1.21
All-time high	7609.78, 06/02/26	



NYSE weekly volume, in billions of shares



*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc; †Based on Nasdaq-100 Index

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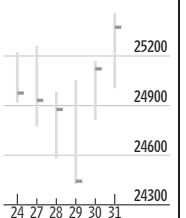
Major U.S. Stock-Market Indexes

	Latest Week High	Low	Close	Net chg	% chg	52-Week Low	Close (●)	High	% chg	% chg YTD	3-yr. ann.
Dow Jones											
Industrial Average	52901.87	51551.18	**52485.03**	537.78	**1.04**	43588.58		53055.91	**20.4**	9.2	**13.9**
Transportation Avg	22504.44	20877.19	**21039.30**	-1436.86	**-6.39**	15067.87		23933.14	**39.3**	21.2	**8.2**
Utility Average	1177.27	1121.60	**1121.64**	-51.04	**-4.35**	1048.33		1190.23	**1.2**	5.0	**6.4**
Total Stock Market	74324.07	72477.56	**74106.82**	682.18	**0.93**	61627.03		75286.1	**20.3**	9.8	**17.3**
Barron's 400	1627.67	1602.66	**1618.90**	18.06	**1.13**	1316.75		1635.15	**22.9**	14.6	**16.0**
Nasdaq Stock Market											
Nasdaq Composite	25460.86	24425.34	**25373.85**	398.03	**1.59**	20650.13		27093.9	**22.9**	9.17	**20.9**
Nasdaq-100	28606.77	27176.03	**28274.20**	145.86	**0.52**	22763.31		30660.6	**24.2**	12.0	**21.5**
S&P											
500 Index	7512.04	7313.92	**7489.72**	77.74	**1.05**	6238.01		7609.78	**20.1**	9.4	**17.7**
MidCap 400	3824.96	3722.09	**3758.64**	-25.22	**-0.67**	3104.60		3852.54	**21.1**	13.7	**11.3**
SmallCap 600	1783.28	1751.29	**1768.56**	7.09	**0.40**	1323.05		1804.34	**33.7**	20.5	**11.3**
Other Indexes											
Russell 2000	2972.46	2902.47	**2931.34**	1.34	**0.05**	2166.78		3024.37	**35.3**	18.1	**13.5**
NYSE Composite	24258.93	23892.30	**24107.54**	116.66	**0.49**	20267.69		24229.67	**18.9**	9.6	**13.6**
Value Line	686.24	672.23	**678.06**	4.88	**0.72**	590.50		685.3	**13.8**	7.9	**4.4**
NYSE Arca Biotech	8832.48	8463.84	**8532.13**	-83.75	**-0.97**	5640.67		8917.63	**49.6**	19.3	**17.0**
NYSE Arca Pharma	1288.86	1211.72	**1226.60**	-20.50	**-1.64**	881.47		1273.25	**35.3**	8.9	**11.9**
KBW Bank	190.98	183.59	**187.03**	-1.25	**-0.66**	139.52		191.84	**33.9**	13.9	**27.9**
PHLX§ Gold/Silver	318.04	297.51	**307.90**	-4.99	**-1.60**	206.50		470.37	**49.1**	-10.0	**34.3**
PHLX§ Oil Service	97.13	89.97	**94.68**	-1.68	**-1.74**	58.66		109.24	**61.4**	29.1	**0.4**
PHLX§ Semiconductor	11949.46	10445.44	**11311.08**	-507.81	**-4.30**	5527.61		14634.72	**104.6**	59.7	**43.1**
Cboe Volatility	20.88	15.82	**15.99**	-2.59	**-13.94**	13.47		31.05	**-21.5**	7.0	**5.5**

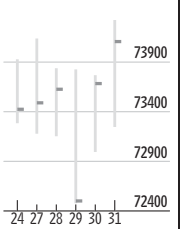
§Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Nasdaq Composite
▲ 398.03, or 1.59% last week



DJ US TSM
▲ 682.18, or 0.93% last week



International Stock Indexes

Region/Country	Index	Latest Week Close	% chg	52-Week Range Low	Close	High	YTD % chg
World	**MSCI ACWI**	1120.51	**1.36**	917.39		1136.59	10.4
	MSCI ACWI ex-USA	473.49	**1.96**	373.97		482.25	12.5
	MSCI World	4847.88	**1.23**	4022.69		4878.87	9.4
	MSCI Emerging Markets	1665.89	**2.33**	1226.18		1802.77	18.6
Americas	**MSCI AC Americas**	2836.39	**0.99**	2358.16		2879.69	9.4
Canada	**S&P/TSX Comp**	35226.14	**-0.40**	27020.43		35749.70	11.1
Latin Amer.	**MSCI EM Latin America**	3090.14	**2.02**	2224.92		3368.83	14.1
Brazil	**Bovespa**	177999.00	**2.27**	132437.39		198657.33	10.5
Chile	**S&P IPSA**	5549.31	**0.60**	4250.34		6013.24	2.3
Mexico	**S&P/BMV IPC**	66936.99	**0.83**	56650.26		71601.35	4.1
EMEA	**STOXX Europe 600**	649.19	**0.73**	535.79		652.77	9.6
	STOXX Europe 50	5454.39	**0.46**	4377.10		5479.52	10.9
Eurozone	**Euro STOXX**	669.90	**0.60**	552.10		680.50	9.4
	Euro STOXX 50	6358.01	**1.23**	5165.60		6412.68	9.8
Austria	**ATX**	6457.92	**0.03**	4457.10		6594.82	21.2
Belgium	**Bel-20**	5685.82	**-0.85**	4565.37		5813.65	12.0
France	**CAC 40**	8509.64	**1.64**	7546.16		8620.93	4.4
Germany	**DAX**	25629.24	**2.11**	22300.75		25817.89	4.7
Greece	**Athex Composite**	2569.75	**3.09**	1960.06		2571.90	21.2
Israel	**Tel Aviv**	4149.50	**-2.44**	2898.78		4527.63	14.3
Italy	**FTSE MIB**	52172.53	**0.71**	39943		52959	16.1
Netherlands	**AEX**	1099.18	**0.84**	883.89		1104.69	15.5
Norway	**Oslo Bors All-Share**	2385.53	**0.34**	1822.75		2460.27	22.9
Portugal	**PSI 20**	9116.04	**-1.08**	7626.71		9484.93	10.3
South Africa	**FTSE/JSE All-Share**	111493.10	**1.92**	97744.15		128455.68	-3.7
Spain	**IBEX 35**	19782.90	**1.01**	14126.7		19852.4	14.3
Sweden	**OMX Stockholm**	1125.61	**1.52**	955.07		1125.61	7.6
Switzerland	**Swiss Market**	14346.14	**0.13**	11755.32		14571.33	8.1
U.K.	**FTSE 100**	10868.05	**1.23**	9068.58		10910.55	9.4
Asia-Pacific	**MSCI AC Asia Pacific**	269.81	**2.49**	204.13		285.9	18.5
Australia	**S&P/ASX 200**	8976.80	**2.33**	8365.9		9200.9	3.0
China	**Shanghai Composite**	3832.26	**0.47**	3559.95		4242.57	-3.4
Hong Kong	**Hang Seng**	25884.43	**3.69**	22671.86		27968.09	1.0
India	**BSE Sensex**	78094.64	**2.68**	71947.55		85762.01	-8.4
Japan	**NIKKEI 225**	64362.02	**-0.39**	40290.70		72366.34	27.9
Malaysia	**FTSE Bursa Malaysia KLCI**	1724.90	**1.40**	1526.98		1771.25	2.7
Singapore	**Straits Times**	5628.50	**0.72**	4153.83		5713.19	21.1
South Korea	**KOSPI**	6595.45	**-1.42**	3119.41		9114.55	56.5
Taiwan	**TAIEX**	43119.75	**-1.23**	23378.94		47741.51	48.9

Source: FactSet; Dow Jones Market Data

Commodities and Currencies

	Last	Last Week Net chg	% Chg	YTD % chg
DJ Commodity	**1364.19**	-32.76	**-2.35**	20.65
FTSE/CC CRB Index	**385.10**	-10.57	**-2.67**	28.89
Crude oil, $ per barrel	**84.67**	-4.64	**-5.20**	47.46
Natural gas, $/MMBtu	**2.747**	-0.141	**-4.88**	-25.47
Gold, $ per troy oz.	**4049.10**	-21.70	**-0.53**	-6.39
U.S. Dollar Index	**99.80**	-1.67	**-1.64**	1.51
WSJ Dollar Index	**96.10**	-1.45	**-1.49**	0.18
Euro, per dollar	**0.8674**	-0.012	**-1.37**	1.92
Yen, per dollar	**157.38**	-6.47	**-3.95**	0.45
U.K. pound, in dollars	**1.35**	0.0159	**1.19**	0.04

	Low	52-Week Close (●)	High	% Chg
DJ Commodity	1037.49		1467.33	**30.21**
FTSE/CC CRB Index	291.69		406.18	**30.42**
Crude oil, $ per barrel	55.27		112.95	**25.75**
Natural gas, $/MMBtu	2.523		7.460	**-10.90**
Gold, $ per troy oz.	3313.40		5318.40	**20.95**
U.S. Dollar Index	96.22		101.61	**0.67**
WSJ Dollar Index	93.64		97.73	**0.36**
Euro, per dollar	0.8305		0.8805	**0.52**
Yen, per dollar	146.47		163.87	**6.77**
U.K. pound, in dollars	1.30		1.39	**1.52**

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New to the Market

Lockup Expirations

Below, companies whose officers and other insiders will become eligible to sell shares in their newly public companies for the first time. Such sales can move the stock's price.

Lockup expiration	Issue date		Symbol	Offer price($)	Offer amt ($ mil.)	Through Friday (%)	Lockup provision
Aug. 3	Feb. 4, '26	Veradermics	**MANE**	17.00	294.8	**517.6%**	180
	Feb. 5, '26	Eikon Therapeutics	**EIKN**	18.00	381.2	**-48.8%**	180
Aug. 4	Feb. 5, '26	Bobs Discount Furniture	**BOBS**	17.00	380.2	**-1.9%**	180
	Feb. 5, '26	Forgent Power Solutions	**FPS**	27.00	1738.8	**23.2%**	180
Aug. 5	Feb. 6, '26	AgomAb Therapeutics	**AGMB**	16.00	200.0	**-19.6%**	180
	Feb. 6, '26	Once Upon A Farm	**OFRM**	18.00	227.6	**-15.7%**	180
	Feb. 6, '26	SpyGlass Pharma	**SGP**	16.00	172.5	**40.8%**	180

Sources: LSEG Data and Analytics; Dow Jones Market Data

IPO Scorecard

Performance of IPOs, most-recent listed first

Company **SYMBOL** IPO date/Offer price	Friday's close ($)	% Chg From Offer price	% Chg From 1st-day close
Apnimed **APMD** July 31/$16.00	25.00	**56.3**	...
Churchill Capital XIII **XIIIU** July 31/$10.00	10.36	**3.6**	...
Game Your Game **GYGY** July 30/$8.00	9.08	**13.5**	-43.2
Jersey Mike's Subs **JMKE** July 30/$23.00	23.00	**...**	6.3
Reformation **REF** July 30/$15.00	16.22	**8.1**	7.6
IMC Rare Earths **IMC** July 29/$5.00	5.37	**7.4**	4.7
Catalyst Acquisition **CATLU** July 28/$10.00	10.00	**...**	0.2
Iconic Digital **IOND** July 28/$53.00	70.01	**32.1**	11.3
Market Technology Acquisition **MTAKU** July 24/$10.00	9.96	**-0.4**	-0.2
Pelican Acquisition II Unit **PLCIU** July 24/$10.00	9.95	**-0.5**	-0.2
Scribe Thera **SCTX** July 24/$15.00	19.48	**29.9**	-10.0
B&R Technology Merger **BRTMU** July 21/$10.00	9.94	**-0.6**	-0.3
Southern Cross Acquisition I **NCOOU** July 21/$10.00	10.05	**0.5**	0.4
AMR Resources Acquisition **AMACU** July 17/$10.00	9.94	**-0.6**	-0.2
Csquare **CSQR** July 16/$21.00	19.96	**-5.0**	-3.4
QumulusAI **QMLS** July 16/$13.08	6.76	**-48.3**	-79.7
Standard Nuclear **STDN** July 16/$15.00	7.89	**-47.4**	-35.9
Jones Ventures Acquisition1 **JONEU** July 14/$10.00	9.96	**-0.4**	0.2
Research Alliance IV **RACD** July 13/$10.00	11.15	**11.5**	7.0
Columbus Circle Capital III **CCCTU** July 9/$10.00	9.99	**-0.1**	-0.3

Sources: Dow Jones Market Data; FactSet

Public and Private Borrowing

Treasurys

Monday, August 3
Auction of 13 and 26 week bills; announced on July 30; settles on August 6

Tuesday, August 4
Auction of 6 and 52 week bills; announced on July 30; settles on August 6

Wendesday, August 5
Auction of 17-week bill; announced on August 4; settles on August 11

Thursday, August 6
Auction of 4 and 8 week bills; announced on August 4; settles on August 11

A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA gained 537.78 points, or 1.04%, on the week. A $1 change in the price of any DJIA stock = 5.94-point change in the average. To date, a $1,000 investment on Dec. 31 in each current DJIA stock component would have returned $32,810, or a gain of 9.37%, on the $30,000 investment, including reinvested dividends.

The Week's Action Pct chg (%)	Stock price change	Point chg in average*	Company	Symbol	Close	$1,000 Invested (year-end '25) $1,000
21.75	83.02	493.44	**Microsoft Corp**	MSFT	$464.72	**$965**
17.00	39.47	234.59	**Amazon.com**	AMZN	271.58	**1,177**
12.44	20.36	121.01	**Salesforce**	CRM	184.02	**698**
11.38	36.39	216.29	**Alphabet**	GOOGL	356.13	**1,139**
7.35	23.34	138.72	**Sherwin-Williams**	SHW	340.85	**1,057**
6.49	5.34	31.74	**Coca-Cola**	KO	87.59	**1,270**
4.42	9.46	56.23	**IBM**	IBM	223.65	**765**
3.16	6.62	39.35	**Boeing**	BA	216.14	**995**
3.09	10.08	59.91	**American Express**	AXP	336.25	**916**
2.92	10.39	61.75	**Visa**	V	366.13	**1,048**
2.43	9.12	54.21	**Amgen**	AMGN	385.16	**1,194**
2.22	5.88	34.95	**McDonald's**	MCD	270.64	**896**
2.12	3.66	21.75	**3M**	MMM	176.28	**1,112**
1.59	1.82	10.82	**Cisco Systems**	CSCO	115.99	**1,528**
1.58	1.73	10.28	**Walmart**	WMT	111.20	**1,002**
1.41	1.34	7.96	**Walt Disney**	DIS	96.19	**852**
1.05	2.04	12.12	**Chevron**	CVX	196.83	**1,316**
0.02	0.01	0.06	**NIKE**	NKE	41.71	**665**
-0.04	-0.10	-0.59	**Honeywell International**	HON	243.05	**1,201**
-0.31	-1.02	-6.06	**Home Depot**	HD	331.96	**979**
-0.40	-1.42	-8.44	**JPMorgan Chase**	JPM	351.79	**1,107**
-0.66	-0.87	-5.17	**Merck & Co**	MRK	130.20	**1,255**
-1.51	-6.34	-37.68	**UnitedHealth**	UNH	414.40	**1,272**
-1.98	-2.92	-17.36	**Procter & Gamble**	PG	144.49	**1,030**
-2.68	-7.05	-41.90	**Johnson & Johnson**	JNJ	256.35	**1,252**
-2.94	-6.09	-36.20	**NVIDIA Corp**	NVDA	200.75	**1,078**
-3.33	-12.90	-76.67	**Travelers**	TRV	374.36	**1,301**
-4.04	-42.85	-254.68	**Goldman Sachs**	GS	1,018.38	**1,170**
-7.24	-24.11	-143.30	**Apple**	AAPL	308.91	**1,138**
-8.32	-73.92	-439.35	**Caterpillar**	CAT	814.81	**1,431**

*Based on Composite price. DJIA is calculated on primary-market price.
Source: Dow Jones Market Data; FactSet.

Currencies

U.S.-dollar foreign-exchange rates at 5 p.m. ET

Country/currency	Fri in US$	Fri per US$	US$ vs. YTD chg (%)
Americas			
Argentina peso	.0007	1486.2253	**2.4**
Brazil real	.1966	5.0876	**-7.8**
Canada dollar	.7131	1.4023	**2.2**
Chile peso	.001075	930.40	**3.4**
Colombia peso	.000316	3166.44	**-16.0**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0577	17.3441	**-3.7**
Uruguay peso	.02484	40.2572	**3.1**
Asia-Pacific			
Australia dollar	.7021	1.4243	**-4.9**
China yuan	.1481	6.7515	**-3.5**
Hong Kong dollar	.1275	7.8422	**0.8**
India rupee	.01048	95.403	**6.2**
Indonesia rupiah	.0000555	18029	**8.0**
Japan yen	.006354	157.38	**0.5**
Kazakhstan tenge	.002109	474.22	**-6.5**
Macau pataca	.1238	8.0804	**0.7**
Malaysia ringgit	.2448	4.0852	**0.7**
New Zealand dollar	.5879	1.7010	**-2.1**
Pakistan rupee	.00360	277.867	**-0.8**
Philippines peso	.0163	61.182	**3.8**
Singapore dollar	.7797	1.2825	**-0.2**
South Korea won	.0006930	1442.93	**0.2**
Sri Lanka rupee	.0029773	335.87	**8.4**
Taiwan dollar	.03095	32.311	**3.1**
Thailand baht	.02992	33.420	**6.1**

Country/currency	Fri in US$	Fri per US$	US$ vs. YTD chg (%)
Vietnam dong	.00003802	26301	**...**
Europe			
Czech Rep. koruna	.04759	21.012	**2.1**
Denmark krone	.1542	6.4837	**2.0**
Euro area euro	1.1529	.8674	**1.9**
Hungary forint	.003159	316.57	**-3.3**
Iceland krona	.008121	123.14	**-1.7**
Norway krone	.1056	9.4717	**-6.1**
Poland zloty	.2675	3.7380	**4.1**
Sweden krona	.1050	9.5261	**3.4**
Switzerland franc	1.2382	.8076	**1.9**
Turkey lira	.0210	47.5127	**10.6**
Ukraine hryvnia	.0223	44.7500	**5.7**
UK pound	1.3482	.7417	**-0.04**
Middle East/Africa			
Bahrain dinar	2.6520	.3771	**0.03**
Egypt pound	.0195	51.1559	**7.2**
Israel shekel	.3270	3.0581	**-4.0**
Kuwait dinar	3.2348	.3091	**0.4**
Oman sul rial	2.6007	.3845	**-0.1**
Qatar rial	.2734	3.657	**0.1**
Saudi Arabia riyal	.2666	3.7516	**0.02**
South Africa rand	.0604	16.5574	**-0.04**

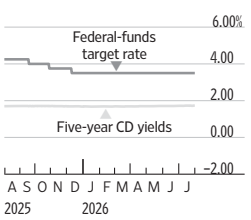
	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	96.10	-0.22	-0.23	**0.18**

Sources: Tullett Prebon; Dow Jones Market Data

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

5-year CDs

Bankrate.com avg†:	**1.73%**
BTG Pactual Bank	**4.15%**
New York, NY	212-652-7200
Quorum Federal Credit Union	**4.15%**
Purchase, NY	800-874-5544
Sallie Mae Bank	**4.20%**
Salt Lake City, UT	877-346-2756
TAB Bank	**4.20%**
Ogden, UT	800-355-3063
E*Trade	**4.35%**
Purchase, NY	800-387-2331

Interest rate	Yield/Rate (%) Last (●)	Week ago	52-Week Range (%) Low	0 2 4 6 8	High	3-yr chg (pct pts)
Federal-funds rate target	**3.50-3.75**	3.50-3.75	3.50		4.50	**-1.75**
Prime rate*	**6.75**	6.75	6.75		7.50	**-1.75**
SOFR	**3.65**	3.64	3.50		4.51	**-1.65**
Money market, annual yield	**0.44**	0.44	0.41		0.45	**-0.12**
Five-year CD, annual yield	**1.73**	1.73	1.67		1.73	**-1.13**
30-year mortgage, fixed†	**6.75**	6.71	6.11		6.81	**-0.63**
15-year mortgage, fixed†	**6.17**	6.10	5.55		6.18	**-0.49**
Jumbo mortgages, $832,750-plus†	**6.84**	6.71	6.34		6.87	**-0.59**
Five-year adj mortgage (ARM)†	**6.02**	5.95	5.66		6.26	**-0.28**
New-car loan, 48-month	**6.96**	6.97	6.85		7.21	**-0.30**

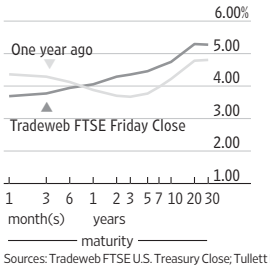
Bankrate.com rates based on survey of over 1,500 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

Benchmark Yields and Rates

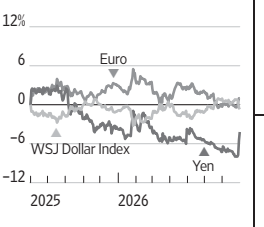
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb FTSE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

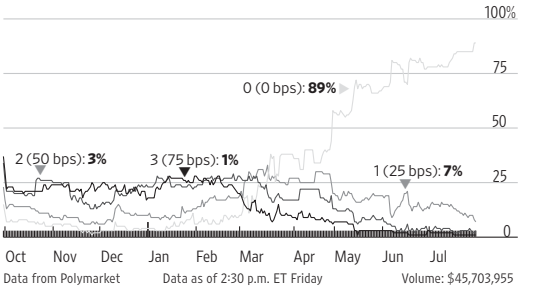
Bond total return index	Yield (%) Last	Wk ago	Spread +/- Treasurys, in basis pts, 52-wk Range Last	Low	High	Total Return 52-wk	3-yr
U.S. Treasury, Bloomberg	**4.570**	4.580				1.97	2.91
U.S. Treasury Long, Bloomberg	**5.260**	5.180				-0.33	-1.09
Aggregate, Bloomberg	**4.980**	4.970	29	23	32	2.71	3.73
Fixed-Rate MBS, Bloomberg	**5.300**	5.250	31	14	39	4.13	4.13
High Yield 100, ICE BofA	**n.a.**	6.684	n.a.	205	298	3.99	7.68
Muni Master, ICE BofA	**3.682**	3.663	3	1	10	4.45	2.77
EMBI Global, J.P. Morgan	**6.780**	7.072	194	191	286	7.53	8.35

Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

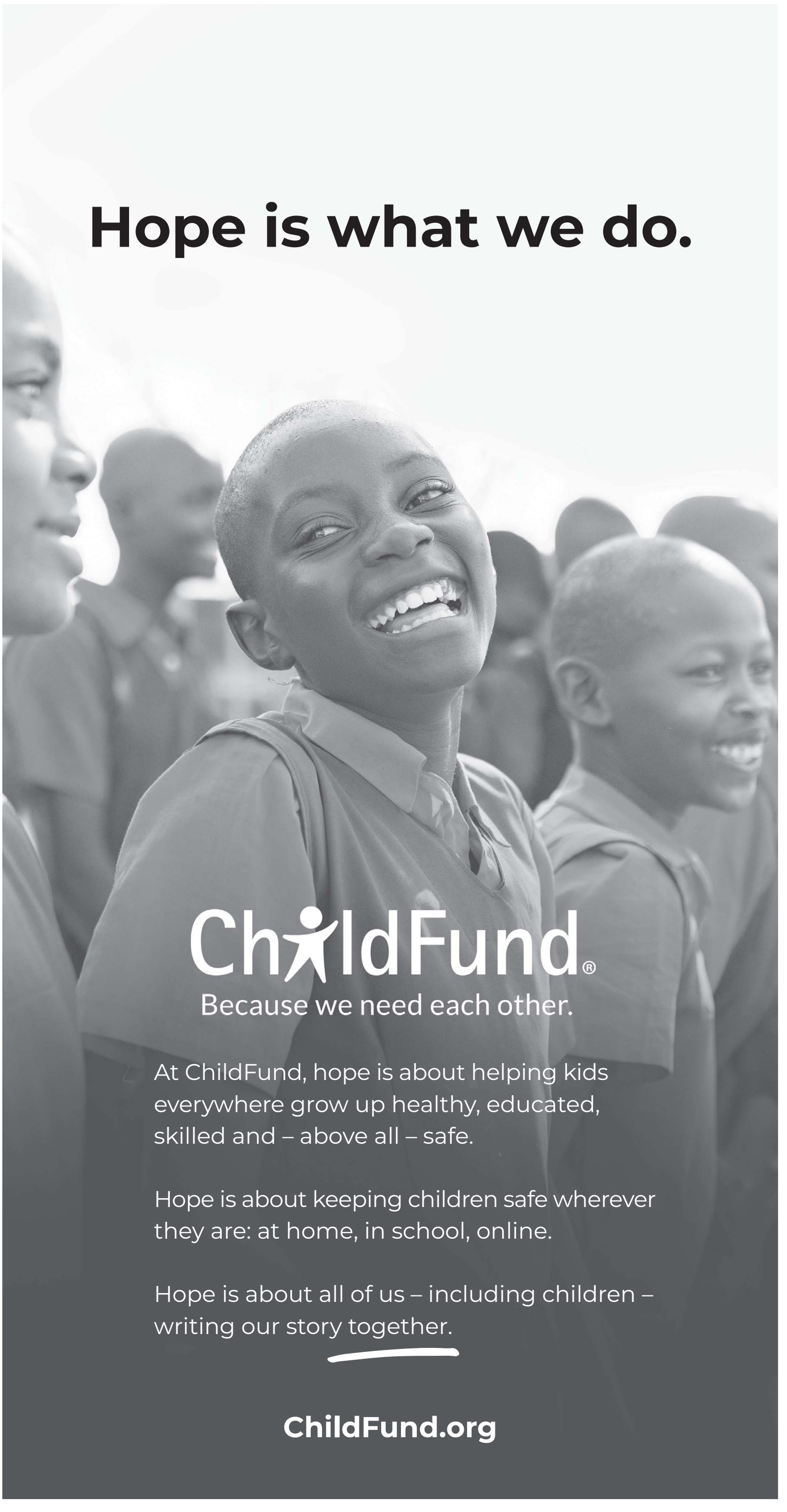
Polymarket | A Dow Jones partner

Prediction Market: How many Fed rate cuts in 2026?

This market will resolve according to the exact amount of cuts of 25 basis points in 2026 by the Federal Reserve.



Hope is what we do.



ChildFund®

Because we need each other.

At ChildFund, hope is about helping kids everywhere grow up healthy, educated, skilled and – above all – safe.

Hope is about keeping children safe wherever they are: at home, in school, online.

Hope is about all of us – including children – writing our story together.

ChildFund.org

CLOSED-END FUNDS

Listed are the 300 largest closed-end funds as measured by assets. Closed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-ends generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. **NA** signifies that the information is not available or not applicable. **NS** signifies funds not in existence for the entire period. 12 month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month-end or during the previous 52 weeks for periods ending at any time other than month-end) by the latest month-end market price adjusted for capital gains distributions. Depending on the fund category, either 12-month yield or total return is listed.

Source: LSEG

Friday, July 31, 2026

Fund (SYM)	NAV	Close	Prem/Disc	52 wk Ttl Ret
General Equity Funds				
Adams Diversified Eq Inc **ADX**	25.74	25.52	-0.9	30.5
BlackRock En Lg Cap Cr **CII**	23.60	24.11	+2.2	33.1
Central Secs **CET**	64.40	53.44	-17.0	17.6
CohenStrsCEOppFd **FOF**	13.47	13.59	+0.9	14.5
EVTxAdvDivInc **EVT**	30.49	28.14	-7.7	28.9
GabelliDiv&IncTr **GDV**	NA	29.76	NA	22.7
Gabelli Equity Tr **GAB**	NA	5.61	NA	7.2
GeneralAmer **GAM**	72.83	65.00	-10.8	28.2
JHancockTaxAdvDiv **HTD**	26.39	25.76	-2.4	14.5
Liberty All-Star Equity **USA**	6.60	5.81	-12.0	0.9
Liberty All-Star Growth **ASG**	5.88	5.14	-12.6	5.0
Nuveen Nasdaq 100 Dyn Ov **QQQX**	30.98	29.51	-4.7	22.2
NuvS&P500DynOvFd **SPXX**	NA	18.45	NA	12.8
Royce Micro-Cap Tr **RMT**	15.30	13.62	-11.0	56.4
Royce Value Trust **RVT**	20.63	18.09	-12.3	31.9
Source Capital **SOR**	50.14	46.58	-7.1	12.7
Special Opportunities **SPE**	15.28	13.13	-14.1	-0.8
Sprott Focus Trust **FUND**	10.98	9.92	-9.7	40.1
SRH Total Return **STEW**	23.92	18.53	-22.5	9.7
Tri-Continental **TY**	38.57	34.88	-9.6	20.6
Specialized Equity Funds				
abrdn Glb Prem Prop **AWP**	11.88	12.06	+1.5	18.7
abrdn Global Infra Inc **ASGI**	21.97	23.90	+8.8	26.7
abrdn Healthcare Invest **HQH**	23.11	21.84	-5.5	56.9
abrdn Healthcare Opps **THQ**	19.50	18.74	-3.9	30.2
abrdn Life Sciences Inv **HQL**	21.47	19.10	-11.0	64.8
abrdn World Healthcare **THW**	13.54	13.29	-1.8	37.1
Adams Natural Resources **PEO**	29.60	26.89	-9.2	39.1
Allspring Ut & Hi Inc **ERH**	12.66	11.84	-6.5	7.7
ASA Gold & Prec Met Ltd **ASA**	NA	48.93	NA	57.8
BlackRock Energy & Res **BGR**	18.18	16.55	-9.0	35.2
BlackRock Eq Enh Div **BDJ**	10.41	9.78	-6.1	23.3
BlackRock Enh Glbl Div **BOE**	13.12	12.11	-7.7	17.8
BlackRock Enh Intl Div **BGY**	6.34	5.78	-8.8	12.5
BlackRock ESG Cap All T **ECAT**	15.10	14.98	-0.8	14.2
BlackRock Hlth Sci Term **BMEZ**	17.44	15.48	-11.2	20.8
BlackRock Hlth Sciences **BME**	44.60	43.49	-2.5	32.4
BlackRock Res & Comm **BCX**	12.81	12.05	-5.9	37.5
BlackRock Sci&Tech Term **BSTZ**	30.30	28.43	-6.2	48.4
BlackRock Sci&Tech Trust **BST**	48.57	46.26	-4.8	33.0
BlackRock Innov&Gro Term **BTX**	8.99	NA	NA	NA
BlackRock Utl Inf & Pwr **BUI**	26.88	27.31	+1.6	15.2
Bluerock Private RE **BPRE**	NA	NA	NA	NS
CLEARBRIDGE ENGY MDS OPP **EMO**	NA	51.62	NA	18.9
ChnStrInfr **UTF**	28.16	27.79	-1.3	12.1
Cohen&SteersQualInc **RQI**	13.56	12.58	-7.2	13.1
CohenStrs Real Est and I **RLTY**	17.36	15.90	-8.4	13.0
Cohen&Steers TotRet **RFI**	12.00	11.50	-4.2	5.4
CohenStrsREITPrefInc **RNP**	22.13	20.45	-7.6	0.0
Columbia Sel Prm Tech Gr **STK**	53.25	49.09	-7.8	72.6
DNP Select Income **DNP**	NA	10.75	NA	18.6
Duff&Ph Utl&Infra Inc Fd **DPG**	16.19	14.48	-10.6	24.2
EtnVncEqtyInc **EOI**	NA	19.77	NA	3.6
EtnVncEqtyIncoll **EOS**	NA	21.27	NA	-2.9
EVRskMnDvsEqInc **ETJ**	9.20	8.43	-8.4	3.8
ETnVncTxMgdBuyWrtInc **ETB**	NA	15.46	NA	16.8
EtnVncTxMgdBuyWrtOpp **ETV**	NA	14.66	NA	16.9
EvTxMnDvsEqInc **ETY**	NA	14.40	NA	0.5
EtnVncTxMgdGlbB **ETW**	NA	9.51	NA	20.9
EVTxMnGblDvEqInc **EXG**	NA	9.78	NA	24.5
First Tr Enhanced Eq **FFA**	25.18	22.53	-10.5	17.8
Gab Gl Util & Inc **GLU**	NA	19.05	NA	17.1
Gabelli Healthcare **GRX**	NA	9.74	NA	15.0
Gab Utility **GUT**	NA	6.35	NA	27.8
GAMCOGlGold&NatRes **GGN**	NA	4.90	NA	18.6
GAMCO NR GLD & INC **GNT**	NA	8.08	NA	40.0
J Han Finl Opptys **BTO**	42.11	40.28	-4.3	25.6
KayneEnrgyInfraInc **KYN**	16.49	14.62	-11.3	27.5
Neuberger Energy Inf & In **NML**	11.44	10.46	-8.6	30.6
Neuberger Nxt Gen Conn **NBXG**	NA	14.76	NA	12.3
Neuberger Real Est SI **NRO**	3.29	3.02	-8.2	5.6
NuvCorEqAlpha **JCE**	NA	16.41	NA	17.7
Nuveen Nasdaq 100 Dyn Ov **QQQX**	30.98	29.51	-4.7	22.2
Nuveen Pref & Inc Opp **JPC**	NA	7.69	NA	5.1
Nuveen Var Rate P&I **NPFD**	NA	18.16	NA	3.4
TCW Strat Income **TSI**	NA	4.42	NA	-2.8
Convertible Sec's. Funds				
AdvntCnvrtblNIncFd **AVK**	13.45	12.38	-8.0	13.7
Bancroft Fund Ltd **BCV**	NA	23.69	NA	28.1
CalamosConvHi **CHY**	12.67	12.55	-0.9	28.4
CalmosConvOp **CHI**	11.92	12.53	+5.1	35.6
Ellsworth G&I Fund Ltd **ECF**	NA	12.17	NA	27.1
HilncBd **PCF**	6.23	5.28	-15.2	-5.7
V Conv & Inc **NCV**	NA	16.75	NA	30.7
V Conv & Inc II **NCZ**	NA	15.46	NA	31.0
V Div Inc & Conv **ACV**	NA	26.74	NA	32.1
V Eqty & Conv Inc **NIE**	NA	25.95	NA	20.4
World Equity Funds				
India Fund **IFN**	12.91	11.71	-9.3	-12.0
abrdnAusEq **IAF**	14.46	12.78	-11.6	6.9
abrdn Emg Mkts Ex-China **AEF**	9.75	8.78	-9.9	61.3
abrdn Glbl Dyn Div **AGD**	12.09	12.15	+0.5	23.9
abrdn Tot Dyn Div **AOD**	10.52	10.54	+0.2	35.6
Allspring Gl Div Opprty **EOD**	7.09	6.49	-8.5	28.9
Central and Eastern Euro **CEE**	22.11	20.51	-7.2	37.7
Gabelli Gl Sm&Mid Cp Val **GGZ**	NA	16.15	NA	27.3
Gabelli Multimedia **GGT**	NA	4.08	NA	20.9
GDL Fund **GDL**	NA	8.38	NA	8.0
J Han Hdgd Ety & Inc **HEQ**	12.72	11.39	-10.5	20.1
Japan Smaller Cap **JOF**	13.27	11.34	-14.5	28.6
Korea **KF**	68.50	55.54	-18.9	115.2
Mexico **MXF**	24.59	21.76	-11.5	30.3
MS ChinaShrFd **CAF**	22.47	19.15	-14.8	39.3
MS India **IIF**	25.88	22.95	-11.3	-9.3
New Germany **GF**	12.41	11.20	-9.8	0.1
Nuveen RI Asst Inc & Gro **JRI**	NA	12.96	NA	11.6
NYLI CBRE Glbl Inf Meg T **MEGI**	16.63	15.30	-8.0	18.1
Royce Global Value Trust **RGT**	17.44	15.12	-13.3	28.6
Templeton Dragon **TDF**	12.46	10.74	-13.8	10.8
Templeton Em Mkt **EMF**	24.12	21.19	-12.1	55.0

Fund (SYM)	NAV	Close	Prem/Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
BlckRk Income **BKT**	10.81	10.18	-5.8	9.8
Western Asset Mtg Opprty **DMO**	NA	10.34	NA	12.1
Investment Grade Bond Funds				
MFS Intrmdt **MIN**	2.58	2.41	-6.6	2.3
Angel Oak FS Inc Trm **FINS**	13.48	12.51	-7.2	10.7
BlRck Core Bond **BHK**	9.32	8.90	-4.5	9.7
BR Credit Alloc Inc **BTZ**	10.77	9.97	-7.4	9.8
InvescoBond **VBF**	15.91	14.66	-7.9	5.4
J Han Income **JHS**	11.92	10.93	-8.3	5.5
WA Investment Grade Inc **PAI**	NA	11.84	NA	5.2
WesternAssetPremBd **WEA**	NA	10.44	NA	7.5
Westn Asst IG Def Opp Tr **IGI**	NA	15.67	NA	5.2
Loan Participation Funds				
BR Debt Strategy **DSU**	9.56	9.42	-1.5	12.2
BR F/R Inc Str **FRA**	11.35	10.82	-4.7	13.5
BlackRock Floatng Rt Inc **BGT**	11.12	10.83	-2.6	13.5
Blackstone Lng-Sh Cr Inc **BGX**	NA	10.72	NA	9.0
BS SFR 2027 T **BSL**	NA	12.95	NA	8.3
BS St Cr 2027 Tm **BGB**	NA	11.17	NA	8.4
EtnVncFltRteInc **EFT**	11.96	10.63	-11.1	9.0
EV SenFlRtTr **EFR**	NA	10.57	NA	8.7
FT/Sr Fltg Rte Inc 2 **FCT**	9.70	9.65	-0.5	12.0
FS Specialty Lending Fd **FSSL**	NA	NA	NA	NS
Highland Opprty & Income **HFRO**	11.80	7.52	-36.3	6.4
InvDYCrOpp:AX **VTA**	9.57	NA	NA	NA
InvSnrIncTr **VVR**	3.36	2.97	-11.6	14.6
Nuveen Credit Strat Inc **JQC**	NA	4.76	NA	12.9
NuvFloatRateIncFd **JFR**	NA	7.71	NA	12.9
SOUND POINT MRDAN CAP **SPMC**	NA	NA	NA	28.7
High Yield Bond Funds				
abrdn Inc Credit Str **ACP**	5.35	5.06	-5.4	17.8
AllianceBernGlHiInc **AWF**	11.26	10.09	-10.4	7.6
Allspring Income Oppty **EAD**	7.09	6.30	-11.1	9.8
Barings Glb SD HY Bd **BGH**	NA	14.03	NA	12.1
BR Corporate HY **HYT**	9.07	8.35	-7.9	10.9
BlackRock Ltd Dur Inc **BLW**	13.15	12.54	-4.6	10.8
BNY Mellon Hi Yield Str **DHF**	NA	2.35	NA	8.6
Brookfield Real Asst Inc **RA**	13.94	12.81	-8.1	8.7
Credit Suisse Hi Yld Crd **DHY**	1.91	1.75	-8.4	10.4
CSAM Income Fd **CIK**	2.70	2.44	-9.6	10.4
DoubleLine Inc Sol **DSL**	11.39	10.67	-6.3	11.9
DoubleLine Yld Opps **DLY**	15.05	14.06	-6.6	9.95
First Trust HY Opp 2027 **FTHY**	13.93	13.63	-2.2	10.9
Franklin Univ **FT**	8.66	7.92	-8.5	6.3
KKR Income Opportunities **KIO**	NA	11.01	NA	12.9
NeubHgYldStrt **NHS**	6.54	6.00	-8.3	17.4
Nuveen Global High Inc **JGH**	NA	12.52	NA	9.7
PGIM Global High Yield **GHY**	NA	11.66	NA	10.4
PGIM High Yield Bond **ISD**	NA	12.44	NA	9.6
PGIM Sh Dur Hi Yld Opp **SDHY**	NA	16.14	NA	7.9
WstAstHIF II **HIX**	NA	3.88	NA	14.8
Western Asset Hi Inc Opp **HIO**	NA	3.53	NA	10.9
Western Asset Hi Yld Opp **HYI**	NA	10.39	NA	10.7
Other Domestic Taxable Bond Funds				
Allspring Multi-Sector **ERC**	9.79	9.11	-6.9	9.4
Ares Dynamic Crdt Alloc **ARDC**	NA	12.38	NA	10.6
BlackRock Mlt-Sctr Inc **BIT**	13.12	12.23	-6.8	11.8
BlackRock Tax Muni Bd **BBN**	16.52	15.82	-4.2	7.2
DoubleLine Oppor Crdt Fd **DBL**	14.55	14.04	-3.5	9.1
EVLmtDurInc **EVV**	NA	9.10	NA	9.3
Franklin Ltd Dur Income **FTF**	6.30	5.71	-9.4	12.7
Putnam Mas Int **PIM**	NA	3.12	NA	7.2
Putnam Prem Inc **PPT**	NA	3.39	NA	8.4
FS Credit Opportunities **FSCO**	NA	4.95	NA	15.5
J Han Investors **JHI**	14.35	13.22	-7.9	9.3
NuvCorePlusImpact **NPCT**	NA	9.70	NA	12.0
Nuveen Taxable Muni Inc **NBB**	15.70	15.21	-3.1	7.3
PIMCO Corp & Inc Opprty **PTY**	NA	11.71	NA	11.8
PIMCO Corp & Inc Strat **PCN**	NA	11.64	NA	11.3
PIMCOHilnco **PHK**	NA	4.65	NA	12.3
PIMCO IncmStrFd **PFL**	NA	7.72	NA	12.4
PIMCO IncmStrFd II **PFN**	NA	7.08	NA	12.0
Western Asset Dvsfd Inc **WDI**	NA	13.10	NA	13.1
Western Asset Inf-Lk Inc **WIA**	NA	7.92	NA	6.3
Western Asset Inf-Lk Opp **WIW**	NA	8.26	NA	7.1
World Income Funds				
abrdn AP IncFd **FAX**	15.03	14.50	-3.5	13.4
BrndywnGLB Glb Inc Oppts **BWG**	NA	7.73	NA	11.5
EtnVncStDivInc **EVG**	11.10	10.51	-5.3	8.3
MS EmMktDomDebt **EDD**	5.87	5.82	-0.9	10.7
MS EmMktDebtFd **MSD**	7.87	7.24	-8.0	8.3
PIMCO Access Income **PAXS**	NA	14.16	NA	12.3
PIMCO Dynamic Inc Strat **PDX**	NA	21.36	NA	7.1
PIMCO Dynamic Income **PDI**	NA	16.00	NA	15.8
PIMCO Dynamic Inc Opp **PDO**	NA	13.04	NA	11.6
PIMCO Stratg Inc **RCS**	NA	5.17	NA	8.8
Templtn Glbl Inc **SABA**	NA	8.24	NA	NE
Templeton Em Inc **TEI**	7.02	6.64	-5.4	12.9
Virtus SM Emerg Mkts Inc **EDF**	NA	5.20	NA	13.6
WstAstEmergDebt **EMD**	NA	10.47	NA	8.9
National Muni Bond Funds				
AllBerNatlMunInc **AFB**	11.80	10.88	-7.8	5.0
BlackRock 2037 Muni Trg **BMN**	25.31	25.14	-0.7	4.3
BlackRock Muni 2030 Tgt **BTT**	24.45	22.40	-8.4	2.4
BR MuniAssets Fd **MUA**	11.11	10.10	-9.1	6.0
BR MuniHoldngs **MHD**	12.52	11.47	-8.4	6.0
BR MuniYield Qlty **MQY**	12.08	11.20	-7.3	6.0
BR MuniYld Qly 3 **MYI**	11.59	10.66	-8.0	5.9
BNY Mellon Muni Bd Infra **DMB**	NA	10.52	NA	4.5
BNY Mellon Str Muni Bond **DSM**	NA	5.81	NA	4.8
BNY Mellon Strat Muni **LEO**	NA	6.15	NA	4.5
DWS Muni Inc **KTF**	8.97	8.83	-1.6	6.5
EVMuniBd **EIM**	NA	9.56	NA	6.1
EVMuniIncm **EVN**	10.60	10.37	-2.2	5.4
EVNatMuniOpp **EOT**	17.88	17.29	-3.3	4.6
Putnam Mgd Inc **PMM**	6.55	6.24	-4.7	4.5
Putnam Muni Opp **PMO**	11.06	10.23	-7.5	4.5
InvAdvMulncTrII **VKI**	8.74	8.92	+2.1	7.0
Invesco MuniOp **OIA**	6.09	6.02	-1.1	5.6
InvescoMuOppTr **VMO**	9.76	9.66	-1.0	7.6
InvescoMuTr **VKQ**	9.80	9.78	-0.2	7.5
InvescoQual Inc **IQI**	9.86	9.87	+0.1	7.4
InvTrInvGrMu **VGM**	10.11	10.10	-0.1	7.3
InvescoValMunInc **IIM**	12.05	12.50	+3.7	7.2
Neuberger Municipal **NBH**	10.98	10.17	-7.4	6.1
Nuveen AMT-Fr Mu Val **NUW**	14.77	13.96	-5.5	4.0
Nuveen AMT-Fr Qlty Muni **NEA**	11.19	11.27	+0.7	7.0
Nuveen AMT-Fr Mu Cl **NVG**	NA	12.40	NA	7.4
Nuveen Dyn Muni Opp **NDMO**	NA	9.94	NA	7.1
Nuveen Mu Crdt Opps **NMCO**	NA	10.44	NA	7.5
Nuv Muni Credit Income **NZF**	NA	12.20	NA	7.5
NuvMuniHilncOpp **NMZ**	NA	10.16	NA	7.4
Nuveen Muni Inc **NMI**	NA	10.84	NA	4.1
Nuveen Muni Val **NUV**	NA	9.15	NA	4.2
Nuveen Quality Muni Inc **NAD**	NA	11.71	NA	7.0
Nuveen Sel Mat **NIM**	9.78	9.16	-6.3	3.6
Nuveen Sel TF **NXP**	14.12	14.13	+0.1	4.4
NYLI MacKay DT Muni Opp **MMD**	16.16	14.92	-7.7	4.8
PIMCOMuniIncII **PML**	NA	7.30	NA	6.2
RiverNorth Flx Mu Inc II **RFMZ**	NA	13.06	NA	7.3
RiverNorth Mgd Dur Mu II **RMMZ**	15.80	14.75	-6.6	7.3
RiverNorth Mgd Dur Mun I **RMM**	15.03	14.33	-4.7	7.1
Western Asset Mgd Muni **MMU**	NA	10.03	NA	6.2
Western Asset Mun Hi Inc **MHF**	NA	6.79	NA	5.0
Single State Muni Bond				
BR MH CA Qly Fd Inc **MUC**	11.51	10.58	-8.1	5.8
BR MH NJ Qly **MUJ**	12.32	11.97	-2.8	5.2
BR MuniYld MI Qly **MIY**	12.14	12.20	+0.5	5.3
BR MuniYld NY Qly **MYN**	10.61	9.70	-8.6	6.0
BR MuniYld PA Qly **MPA**	12.06	10.90	-9.6	5.8
InvCaValMulncTr **VCV**	9.95	10.55	+6.0	7.1
InvPAValMulncTr **VPV**	10.53	10.82	+2.8	7.0
InvTrInvGrNYMu **VTN**	10.54	10.86	+3.0	7.1
Nuveen AZ Qual Muni Inc **NAZ**	11.33	12.10	+6.8	6.3
Nuveen CA AMT-F Qual MI **NKX**	11.72	12.09	+3.2	7.2
Nuveen CA Val **NCA**	9.08	8.97	-1.2	3.7
NuveenCAQtyMuInc **NAC**	11.28	11.72	+3.9	7.2
Nuveen MA Qual Muni Inc **NMT**	10.93	12.66	+15.8	5.9
Nuveen NY AMT/Fr Qual MI **NRK**	10.45	10.33	-1.1	7.6
Nuveen NY Qual Muni **NUN**	8.73	8.24	-5.6	4.0
Nuveen NY Qual Muni Inc **NAN**	11.01	11.17	+1.5	7.3
Nuveen VA Qlty Muni Inc **NPV**	11.10	10.80	-2.7	6.8
PIMCO CA **PCQ**	NA	8.59	NA	4.8
PIMCONYMunIII **PNI**	NA	6.80	NA	4.9

Fund (SYM)	NAV	Close	Prem/Disc	52 wk Ttl Ret
General Equity Funds				
Alternative Strategies:I	12.14	NA	NA	0.9
CALAMOS AKSIA HDGD STR:A	10.48	NA	NA	N
CALAMOS AKSIA HDGD STR:C	10.44	NA	NA	N
CALAMOS AKSIA HDGD STR:I	10.50	NA	NA	N
CALAMOS AKSIA HDGD STR:M	10.45	NA	NA	N
SS PRIV EQTY STRAT:D	NA	NA	NA	N
SS PRIV EQTY STRAT:I	NA	NA	NA	N
SS PRIV EQTY STRAT:S	NA	NA	NA	N
TRP GS Prv Mkt:A	25.13	NA	NA	N
TRP GS Prv Mkt:D	25.14	NA	NA	N
TRP GS Prv Mkt:I	25.15	NA	NA	N
Specialized Equity Funds				
ArrowMark Financial Corp **BANX**	NA	20.40	NA	NA
Calamos Aksia PE & Alt:A	12.10	NA	NA	21.2
Calamos Aksia PE & Alt:C	12.00	NA	NA	20.2
Calamos Aksia PE & Alt:I	12.12	NA	NA	21.4
Calamos Aksia PE & Alt:M	12.03	NA	NA	20.5
CAP GRP KKR US EQ+:A	NA	NA	NA	NS
CAP GRP KKR US EQ+:A-2	NA	NA	NA	NS
CAP GRP KKR US EQ+:A-3	NA	NA	NA	NS
CAP GRP KKR US EQ+:F-2	NA	NA	NA	NS
CAP GRP KKR US EQ+:F-3	NA	NA	NA	NS
CAP GRP KKR US EQ+:R-6	NA	NA	NA	NS
CARLYLE ALPINVEST PMS:I	NA	NA	NA	NS
CARLYLE ALPINVEST PMS:U	NA	NA	NA	NS
CBRE GlbRlEst **IGR**	4.67	4.68	+0.2	13.4
CIM RA&C A	20.55	NA	NA	0.3
CIM RA&C C	19.63	NA	NA	-0.3
CIM RA&C I	20.87	NA	NA	0.5
CIM RA&C L	20.23	NA	NA	0.1
Clarion Partners RE I D	11.27	NA	NA	5.0
Clarion Partners RE I I	11.26	NA	NA	5.1
Clarion Partners RE I S	11.27	NA	NA	4.3
Clarion Partners RE I T	11.26	NA	NA	4.5
Clarion Partners RE I U	11.25	NA	NA	NS
Connetic Venture CA:I	10.21	NA	NA	-0.8
Versus Cap RE:I	23.51	NA	NA	2.0
Versus Capital Real Asst	29.16	NA	NA	6.8
JACKSON REAL ASSETS:I	11.39	NA	NA	6.8
MEKETA INFRSTRCTR:I	29.90	NA	NA	9.6
MEKETA INFRSTRCTR:III	29.94	NA	NA	9.8
NexPointREstStrat:A	12.70	NA	NA	1.1
NexPointREstStrat:C	12.92	NA	NA	0.4
NexPointREstStrat:Z	12.92	NA	NA	1.4
PENDER REAL ESTATE CR:A	10.03	NA	NA	6.9
PENDER REAL ESTATE CR:I	10.03	NA	NA	7.1
PENDER REAL ESTATE CR:I2	10.04	NA	NA	7.4
Principal Real Asst A	28.06	NA	NA	8.6
Principal Real Asst Ins	28.33	NA	NA	8.9
Principal Real Asst Y	28.77	NA	NA	9.1
Redwood RI Est:I	25.10	NA	NA	7.3
STEPSTONE PRVTE MRKTS:R	NA	NA	NA	NS
THE PRE-IPO & GROWTH:F	15.64	NA	NA	NS
THE PRE-IPO & GROWTH:S	15.64	NA	NA	NS
The Private Shares;A	48.46	NA	NA	13.2
The Private Shares;I	49.39	NA	NA	13.1
The Private Shares;L	47.47	NA	NA	13.1
Thirdline Real Estate:I	8.66	NA	NA	-5.2
USQ Core Real Estate:I	14.14	NA	NA	2.1
Wildermuth:I	0.34	NA	NA	-82.8
WILSHIRE PRV ASST:INST	15.04	NA	NA	16.9
Income & Preferred Stock Funds				
Calamos L/S Eqty and DI **CPZ**	15.27	13.19	-13.6	-3.5
Versus Capital Infra Inc	10.21	NA	NA	10.2
Lord Abbett Corp Opps:A	8.92	NA	NA	3.5
Lord Abbett Corp Opps:I	8.92	NA	NA	4.2
Variant Altrntv Inc Instl	25.76	NA	NA	6.4
Variant Impact;Instl	26.36	NA	NA	NS
Convertible Sec's. Funds				
Calmos Dyn Conv and Inc **CCD**	23.80	24.74	+3.9	36.6
World Equity Funds				
AMG PANTHEON INF FD:I	NA	NA	NA	NS
AMG PANTHEON INF FD:M	NA	NA	NA	NS
AMG PANTHEON INF FD:S	NA	NA	NA	NS
CalamosGlbTotRet **CGO**	14.03	12.68	-9.6	25.2
Cantor Fitzgerald SI:A	13.86	NA	NA	6.8
Cantor Fitzgerald SI:C	13.49	NA	NA	5.9
Cantor Fitzgerald SI:I	13.93	NA	NA	7.0
CANTOR FITZGERALD IN,S X	14.31	NA	NA	8.0
Sweater Cashmere	23.96	NA	NA	3.5
HMLTN LN PRIV INFRA:I	16.21	NA	NA	NA
HMLTN LN PRIV INFRA;R	15.78	NA	NA	NA
HMLTN LN PRIV INFRA;Y	16.27	NA	NA	NA
IDA Private Access;I	NA	NA	NA	NS
Primark Priv Eq Inv:I	17.18	NA	NA	18.1
RBC BlueBay Enh Inc;A	NA	NA	NA	NS
RBC BlueBay Enh Inc;I	NA	NA	NA	NS
RBC BlueBay Enh Inc;T	NA	NA	NA	NS
Thornburg Inc Bldr Opps **TBLD**	23.50	21.91	-6.8	21.4
VirtusTotalRetFd **ZTR**	NA	6.81	NA	NA

Fund (SYM)	NAV	Close	Prem/Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
Arca US Treasury	NA	NA	NA	0.0
CATALYST/PERINI STRAT IN	NA	NA	NA	12.3
Ellington Inc Opp:A	NA	NA	NA	11.2
Ellington Inc Opp:M	NA	NA	NA	11.4
Forum RE Income;Founders	9.69	NA	NA	8.6
Forum RE Income;I	9.69	NA	NA	8.5
Forum RE Income;K	9.67	NA	NA	7.7
ORGN RE CRDT;I	9.86	NA	NA	NS
ORGN RE CRDT;O	9.87	NA	NA	NS
Loan Participation Funds				
1WS Credit Income;A2	NA	NA	NA	9.9
1WS Credit Income;Inst	NA	NA	NA	9.5
Apollo Diversified Cd:A	NA	NA	NA	7.6
Apollo Diversified Cd:C	NA	NA	NA	7.0
Apollo Diversified Cd:F	NA	NA	NA	10.5
Apollo Diversified Cd:I	NA	NA	NA	7.9
Apollo Diversified Cd:L	NA	NA	NA	7.4
Apollo Diversified Cd:M	NA	NA	NA	7.7
Axonic Alternative I;A	19.69	NA	NA	10.0
Axonic Alternative I Ins	20.04	NA	NA	10.1
Bluerock HI Inst Crd:A	NA	NA	NA	8.8
Bluerock HI Inst Crd:C	NA	NA	NA	8.2
Bluerock HI Inst Crd:F	NA	NA	NA	9.7
Bluerock HI Inst Crd:I	NA	NA	NA	9.1
CALLODINE SPCLTY INC;I	10.05	NA	NA	NS
CliffwaterCIFd;I	NA	NA	NA	10.2
Cliffwater Ehn Lending;D	NA	NA	NA	10.1
CliffwaterElFd;I	NA	NA	NA	10.7
CNR Strategic Credit	4.36	NA	NA	34.7
EAGLE POINT ENH INC:A	NA	NA	NA	NS
EAGLE POINT ENH INC:AA	NA	NA	NA	10.6
EAGLE POINT ENH INC:C	NA	NA	NA	NS
EAGLE POINT ENH INC:I	NA	NA	NA	NS
EAGLE POINT ENH INC:S	NA	NA	NA	NS
Eagle Point Instl Income	NA	NA	NA	17.4
Equalize Community Dev	9.45	NA	NA	2.6
FedProj&TrFinanceTendr	10.13	NA	NA	6.0
FEDERATED HRMS P&TFIN:SS	10.13	NA	NA	NS
Flat Rock Core Income	NA	NA	NA	9.7
Flat Rock Enhanced Inc	NA	NA	NA	8.9
FRANKLIN BSP LENDING;I	9.94	NA	NA	NS
InvDYCrOpp:A	9.57	NA	NA	10.9
InvDYCrOpp:R6	9.58	NA	NA	11.3
InvDYCrOpp:Y	9.58	NA	NA	11.2
Invesco Sr Loan A	5.44	NA	NA	7.7
Invesco Sr Loan C	5.45	NA	NA	6.9
Invesco Sr Loan IB	5.44	NA	NA	7.9
Invesco Sr Loan IC	5.44	NA	NA	7.8
Invesco Sr Loan Y	5.44	NA	NA	7.9
Monachil Credit Income:I	10.12	NA	NA	7.9
NB ASSET-BASED CRDT;INST	10.22	NA	NA	NS
Nomura Alt Inc;I	9.68

HEARD ON THE STREET
FINANCIAL ANALYSIS & COMMENTARY

Wall Street Thinks It Knows How AI Will Pay Off

Growth in cloud computing is driving share-price rallies and allaying fears of overinvestment

Investors have been fretting over how Big Tech is going to make a return on all its AI spending. Cloud computing increasingly looks like the answer.

Amazon.com, **Microsoft** and **Alphabet**'s Google all have cloud businesses that have grown rapidly during the AI boom. Customers including AI labs and large corporations have clamored to rent access to chips and computing equipment from them—to such an extent that their ability to supply it is more of a limitation than demand.

And unlike a lot of the other avenues companies have proposed to reap returns from AI investments, from chatbot ad sales to subscriptions for access to AI models, cloud computing's financial model is relatively well-understood.

The tech giants buy or lease buildings and computing gear, then rent it out via their cloud operations to recoup what they spent over a period of a few years. It is capital intensive but can be highly profitable: Amazon's cloud unit, Amazon Web Services, on Thursday reported a 39% operating profit margin in the second quarter.

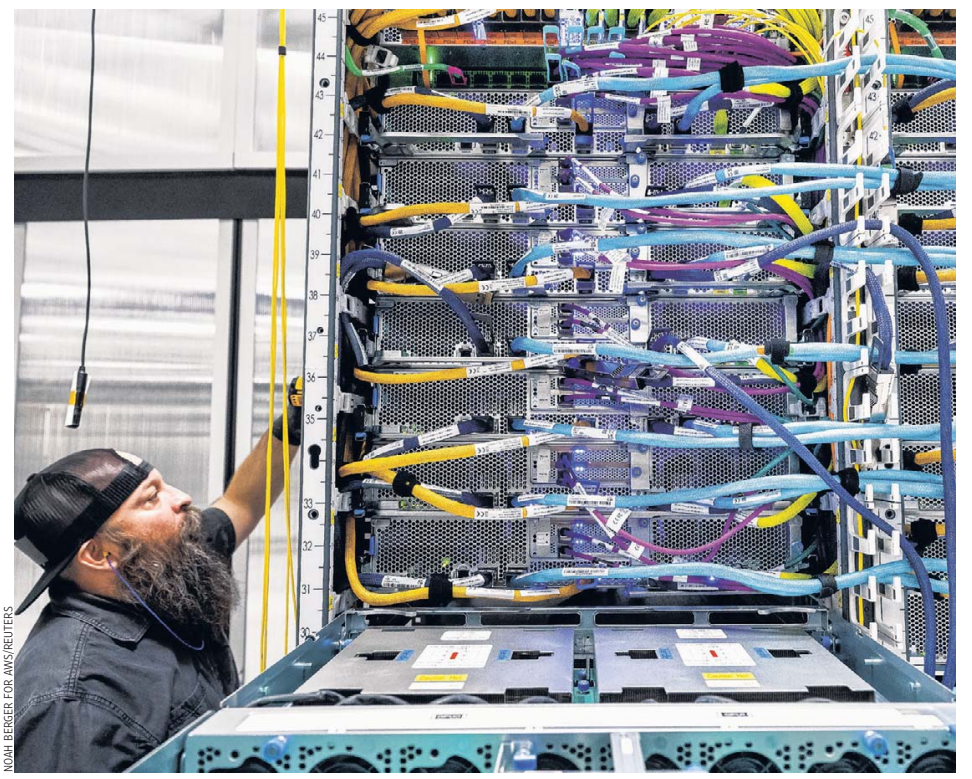
Amazon Chief Executive Andy Jassy tried to paint a picture of AWS as both predictable and extremely fast-growing. It takes less than three years on average to break even on purchases of computing equipment, he said, while most of its contracts with AI-computing customers are at least five years long. That leaves a lot of juice for Amazon to squeeze.

"The resulting revenue, free cash flow and return on invested capital is very compelling," he said.

In the high-spending phase Amazon is going through now, it also means the company is free-cash-flow negative. Markets have been allergic to cash outflows in recent months amid concern about returns on hypscalers' big investments.

But investors more recently seem to be coming around to the notion that Big Tech spending on AI can make sense—as long as there is a cloud-computing business involved that can reap the benefits.

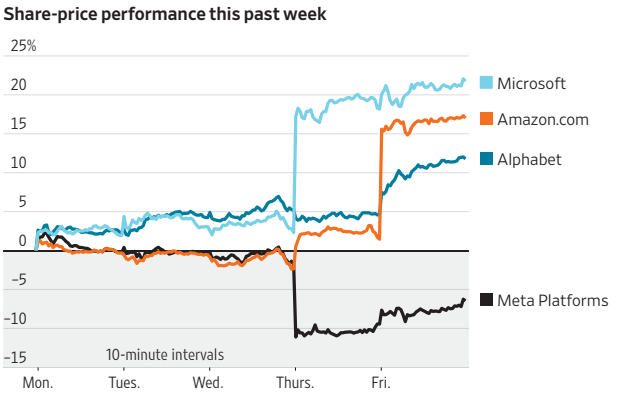
Amazon's stock surged on Friday after the company wowed Wall Street with 37% quarterly revenue growth for AWS, well above the roughly 31% analysts were projecting. Microsoft also got a massive stock-price boost after its results on Wednesday included a better-than-expected 43% revenue rise for its Azure cloud-computing unit. The two companies combined have added around $950 billion to their market values since reporting.



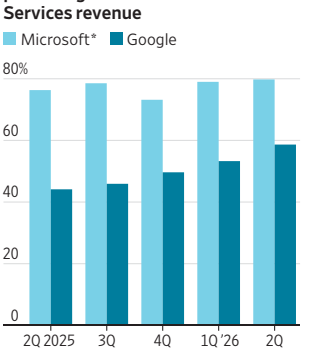
NOAH BERGER FOR AWS/REUTERS

Amazon's cloud unit, Amazon Web Services, on Thursday reported a 39% quarterly operating profit margin.

Share-price performance this past week



Competitors' cloud revenue as a percentage of Amazon Web Services revenue



*Totals are based on analyst estimates.

Sources: FactSet (performance); the companies, BofA Securities (revenue)

Google parent Alphabet's stock fell last week after it boosted capital spending for the year, but its cloud unit's 82% revenue growth has since tempered those concerns. The stock is up about 10% in the past week, more than recovering from its earlier losses.

AI is perhaps the most important driver of cloud-computing growth; companies and AI developers want more computing power, and it is easiest and often fastest to rent it in the cloud. Chunky deals with big customers are also helping inflate revenue and backlogs, like the more than $100 billion 10-year contract that AWS signed with Anthropic in April.

But there is also a shift predating the AI boom that has quietly persisted. Companies are moving more of their computing work to the cloud and using less of their own equipment. A Piper Sandler survey of IT leaders in June found they expected to boost spending by about 5% this year. Most planned to increase outlays on cloud computing, while relatively few plan to spend more on their own computing equipment.

Given those dual trends, it is a little easier to understand why Jassy suggested on Thursday that AWS could eventually grow into a business with $1 trillion in annual revenue, as outlandish as that figure may currently seem. Analysts expect AWS to grow to about $170 billion of revenue this year, according to FactSet.

Others also are looking to get a big piece of that expanding pie. Microsoft's and Google's cloud businesses have grown faster than Amazon's for some time, to the point that they pose a legitimate threat to AWS's dominance of an industry it virtually invented two decades ago. If their growth stays above AWS's, it isn't hard to foresee them surpassing their larger competitor by the end of the decade.

Of course, none of those businesses would fare well if the AI bubble bursts. Should Anthropic, OpenAI and other big buyers of AI computing power falter, massive contracts would likely be reworked and backlogs would shrink. For cloud-computing giants, though, there is something of a reprieve: At least they could fall back on the tried-and-true business model that sustained them before AI.

That is more than can be said for other AI players without cloud businesses, perhaps most prominently **Meta Platforms**. The social-media giant's stock is down about 5% since its earnings on Wednesday included a slight increase in the midpoint of its 2026 capital-spending range.

CEO Mark Zuckerberg said Wednesday that Meta is looking at starting a cloud-computing business of its own, but it would start far behind the three giants of the industry.

In sorting AI winners from losers, Wall Street has settled on a key differentiator. —*Asa Fitch*

BUSINESS & FINANCE

OPEC, Allies Increase Output For the Sixth Month in a Row

By Giulia Petroni

The Organization of the Petroleum Exporting Countries and its allies pressed ahead with another oil production increase, a move that would complete the group's planned return of voluntarily withheld barrels to the market while setting the stage for potentially difficult talks over future quotas.

Seven members of the broader group called OPEC+ said Sunday they will raise output by about 188,000 barrels a day in September, a sixth straight monthly increase. The participating countries include Saudi Arabia—the group's de facto leader—along with Russia, Iraq, Kuwait, Algeria, Kazakhstan and Oman.

The September increase would complete the phased unwinding of 1.65 million barrels a day of voluntary supply cuts originally agreed in 2023, when the group still included the United Arab Emirates, which left OPEC earlier this year.

Separate cuts of around 2 million barrels a day introduced by the broader OPEC+ group in 2022 remain in place through the end of the year.

While planned output increases might not fully materialize because of persistent supply disruptions in the Persian Gulf due to the Iran war, they still have the potential to reshape the oil market balance next year, analysts say.

PAVEL MIKHEYEV/REUTERS

The rise would finish the unwinding of 1.65 million barrels a day of supply cuts agreed in 2023.

OPEC+ also is reviewing members' production capacity to establish 2027 output baselines, which will determine future quotas. The conflict in the Middle East, however, has likely complicated that assessment and could test the group's cohesion if producers seek to pump above targets once regional flows normalize.

The seven OPEC+ producers are scheduled to meet again on Sept. 6 to decide production levels for October. The group could then opt to pause output increases as it continues to assess the rapidly evolving impact of the Iran war on global oil supplies, according to analysts.

Oil prices ended July with their largest monthly gain since March after hostilities between the U.S. and Iran flared again.

On Saturday night, President Trump called off a new attack on Iran, saying "the perimeters of a deal had been agreed to" that would open the Strait of Hormuz—one of the world's busiest oil chokepoints—to commercial traffic.

The five-month-old conflict has spread well beyond the Persian Gulf.

Iran-backed Houthi militants in Yemen attacked vessels in the Red Sea in the second half of July in an effort to enforce a blockade of Saudi oil shipments, jeopardizing the Bab al-Mandeb strait—the narrow waterway connecting the southern Red Sea to, ultimately, markets in Asia and elsewhere.

U.S. Has No Stock Bubble Fear

Continued from page B1

the standard ingredients of bubbles from canals and railroads to the Great British Bicycle Bubble. But they've been on steroids since the 2007-09 financial crisis.

Where the money comes from varies—in the 2010s it was from central banks, then from 2020 government spending added vastly more, while this year margin debt and leveraged ETFs have been significant.

The get-rich-quick desire never goes away, but the gamification of trading, and fees cut to zero, made it easier to gamble on stocks than ever. And innovation, both financial (2018's "vol-mageddon" and 2021's SPACs) and technological (behind excitement about crypto, 3-D printing, AI, clean energy and space), seems to be coming more frequently than usual.

Does it matter? There are two things to worry about. The first is that the bursting of giant bubbles has often been catastrophic for the economy—think of 1929 or 2008. The second is that bubbles suck in investor capital and lead it to be misallocated, slowing the growth of the economy.

The mini-bubbles of recent years haven't crushed growth because they haven't, mostly, been financed with debt. When they burst, investors lost money but the financial system was fine.

"The banking system is in rude health," says Russell Napier, a global macro strategist and keeper of the Library of Mistakes, an Edinburgh-based collection of books on financial history. "That means there's always more credit to do the next bubble."

The misallocation of capital in bubbles is the subject of much debate among economists: Was it better for the economy to build railroads quickly alongside massive losses for investors, or would a slower, more financially rational build-out have been better?

Some of the mini-bubbles enter this debate, such as the cash investors provided to clean-energy firms in 2020-21. Some argued it was worth losing money to combat global warming—though this argument wasn't heard so often after stocks plunged. Others were clear cases of wasted capital, such as comedy digital token dogecoin or many of the SPACs that failed.

We are heading into a danger area now, thanks to the money being poured into artificial intelligence. Estimates of $7 trillion to be spent on data centers in the next four years are enough to seriously damage the economy if productivity gains aren't big enough to justify it.

And the increasing use of debt financing means that if AI more broadly turns out to be a bubble, it could hit the financial system, too. That isn't something the broader market could ignore.

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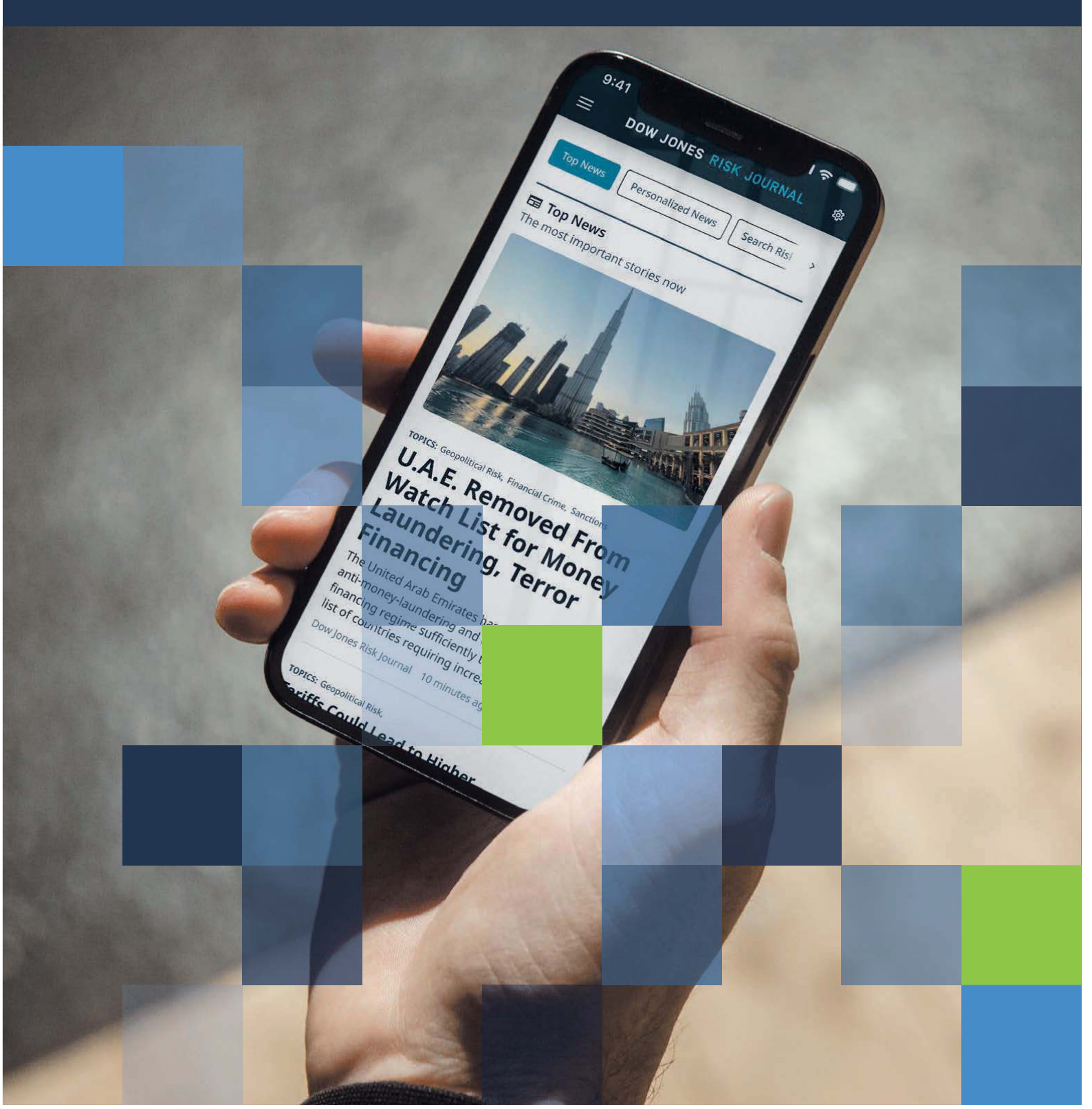
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